

AMENDMENT AND SUPPLEMENT TO  
SAN JUAN 28-7 UNIT OPERATING AGREEMENT  
RIO ARRIBA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 1st day of December, 1958, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as "parties hereto",

W I T N E S S E T H:

WHEREAS, the parties hereto are the owners of working interests in the Unit Area subject to the Unit Agreement for the Development and Operation of the San Juan 28-7 Unit Area, Rio Arriba County, New Mexico, designated Contract Number 14-08-001-459 and subject to the Unit Operating Agreement for the San Juan 28-7 Unit Area (said Unit Operating Agreement hereinafter referred to as "Unit Operating Agreement"), reference to which is here made for all purposes; and

WHEREAS, the parties hereto desire to provide for the drilling and operation of wells to be completed in dual formations and for the sharing and allocation of costs and risks incident thereto.

NOW, THEREFORE, in consideration of the premises and the promises herein contained, and other good and valuable consideration, the full receipt and sufficiency of which are hereby acknowledged, the parties hereto have agreed and do agree as follows:

ARTICLE I

Unit Agreement Confirmed

The Unit Agreement and all Exhibits attached thereto, are hereby confirmed and made a part of this agreement; and in the event of any conflict between the provisions of the Unit Agreement and the provisions of the Unit Operating Agreement, as amended and supplemented hereby, the provisions of the Unit Agreement shall prevail.

ARTICLE II

Unit Operating Agreement Amended

In order to prevent conflict between the provisions of this Amendment and Supplement and the provisions of the Unit Operating Agreement, the following quoted sentence in Section 9 of the Unit Operating Agreement is hereby deleted:

"In the event any one well is completed as a paying producer in more than one formation, the Working Interest Owners of the respective participating areas established for such formations shall arrange for appropriate allocation of investment and operating costs of such well by separate agreement."

## ARTICLE III

### Supplement to Unit Operating Agreement

The provisions which follow in this Article III are supplemental to the Unit Operating Agreement and are hereby adopted as part of said Agreement.

#### 1. Definitions

- "Shallow Owners" - the working interest owners either in the Unit Area, Participating Area, drilling block or in less than the Unit Area, whichever is applicable, owning the working interest in and to the shallower formation of a well to be drilled or which is completed in two formations.
- "Deep Owners" - the working interest owners either in the Unit Area, Participating Area, drilling block or in less than the Unit Area, whichever is applicable, owning the working interest in and to the deeper formation of a well to be drilled or which is completed in two formations.

#### 2. Formula for Allocation of Costs for Drilling and Completing Dual Wells.

Whenever in this Agreement it is provided that costs will be borne by Shallow Owners and Deep Owners in accordance with Section 2, Article III, the following procedures will be used:

At the same time Shallow and Deep Owners separately agree to the drilling of a well to be projected to dual formations, both such categories of Owners shall approve an estimate prepared by Unit Operator of the total costs of drilling and completing said well to the wellhead in both formations. Such approval shall be obtained in accordance with Section 7 of the Unit Operating Agreement. The estimated total costs shall be divided into the following categories:

- a) Costs to be incurred above the base of the shallower of the two formations, except those set forth in Subsection (c) hereof.
- b) Costs to be incurred below the base of the shallower of the two formations.
- c) Costs attributable to testing and completing in the shallower formation.

Upon completion of the well, the actual costs of drilling, completing, testing and equipping such well will be apportioned among the three categories set forth hereinabove, and these actual costs will be paid by the obligated parties as follows:

- a) Costs incurred above the base of the shallower formation except those set forth in Subsection (c) hereof will be shared equally by and between Shallow Owners and Deep Owners.
- b) The costs incurred below the base of the shallower formation shall be paid by Deep Owners.

- c) Costs attributable to testing and completing in the shallower formation shall be paid by Shallow Owners.

3. Drilling and Completing Dual Wells. Costs of drilling, testing, treating, equipping and completing wells to the wellhead which are begun with the objective of dual completion and which are completed as dual wells shall be borne by Shallow Owners and by Deep Owners in accordance with the provisions of Section 2, Article III. Until admission into a participating area the material and equipment thereon shall be owned by the party or parties paying the cost thereof pursuant to Section 2, Article III. Shallow Owners and Deep Owners shall respectively own, subject to allocation to an appropriate participating area, all unitized substances produced from their respective formations. Upon abandonment of the well if dry in both formations, costs of plugging and abandoning shall be shared equally by and between Shallow Owners and Deep Owners. Upon the completed well being admitted into a participating area or areas, the ownership of equipment and materials shall pass to the owners of the participating area or areas in accordance with the terms of Section 3 of the Unit Operating Agreement.
4. Completion of Well in Shallower Formation but Abandoned as to Deeper Formation. In the event that a well begun with the objective of dual completion is drilled to the deeper formation and results in discovery of unitized substances in paying quantities in the shallower formation but is dry in the deeper formation, all costs of drilling, testing and treating shall be borne by the Shallow Owners and Deep Owners in accordance with Section 2, Article III. All costs of equipping the well shall be borne by Shallow Owners. Further, Shallow Owners shall pay to Deep Owners the salvageable value of the material and equipment or share thereof paid for or furnished by Deep Owners. Thereafter Shallow Owners shall own all material and equipment acquired in the drilling and completing of said well. Shallow Owners shall own all unitized substances produced from the shallow formation and shall bear all costs of plugging and abandonment of the well.

5. Completion of Well in Deeper Formation but Abandoned as to Shallower Formation. In the event that a well begun with the objective of dual completion results in discovery of unitized substances in paying quantities in the deeper formation, but dry in the shallower formation, all costs of drilling, testing and treating shall be borne by the Shallow Owners and the Deep Owners in accordance with the provisions of Section 2, Article III. All costs of equipping the well shall be borne by Deep Owners. Further, Deep Owners shall pay to Shallow Owners the salvable value of the material and equipment or share thereof paid for or furnished by Shallow Owners. Thereafter, Deep Owners shall own all material and equipment acquired in the drilling and completion of such well. Deep Owners shall own all unitized substances produced from the deeper formation, and shall bear all costs of plugging and abandoning the well.
6. Abandonment as to one Formation after Completion of Well in Both Formations. In the event that, after completion of a dual well, the working interest owners of one formation should decide to abandon the well as to their formation, the working interest owners of the remaining producing formation shall pay to the working interest owners of the formation to be abandoned, the salvage value of equipment belonging to the owners of the formation to be abandoned. The owners of the formation to be abandoned shall pay for the abandonment of that formation. After payment of the amount provided for above, the working interest owners of the formation from which the well continues to produce shall own all of such equipment. The working interest owners of the producing formation, after abandonment as to the other formation, shall also bear all costs of plugging and abandoning upon later abandonment of the well as to their formation.
7. Deepening a Shallow Well or Converting a Deeper Well for Dual Completion. Before any well which is completed in a single formation may be deepened or perforated at a shallower depth for purposes of completion as a dual well, the working interest owners of both formations must approve the operation under the general

provisions of the Unit Operating Agreement. The payment to the owners of the single existing completion by the owners desiring to dual the well shall be a fair value representative of the well. If the operation should result in an impairment of production from, or a loss of, the existing well, the provisions of Section 10, Article III shall govern unless otherwise provided for in the approval.

8. Allocation of General Operating and Maintenance Costs in Dual Wells.

After completion of a dual well, the costs of producing operations shall be borne by the working interest owners of the two formations as follows:

- a) The completion in each separate formation shall be treated as a separate well for overhead and district and camp expense. Such expense shall be borne by the working interest owners of the respective formations as a separate cost allocable to their interest;
- b) Each formation shall bear all costs of normal producing operations, including costs of labor, repairs, maintenance and replacement of equipment attributable to such formation. All costs of operations performed for the joint benefit of both formations shall be borne on a per well basis by the Shallow Owners to the extent of 50% of the total cost, and by the Deep Owners to the extent of 50% of total cost.

9. Allocation of Cost of Workover Operations for both Formations.

After completion of a dual well, the costs of any workover or other operations on such well involving both formations shall be borne by the working interest owners of such formations as follows:

- a) The costs of any operation which is directly related to one formation, including but not limited to operations such as treatments and perforations, shall be borne by the working interest owners of the formation for which the operation is performed.
- b) All costs of material, equipment, repairs, replacements and labor not directly related to one formation, including but not limited to repair and correction of leaks which may result in communication between the two formations within the well bore shall be borne by the Shallow Owners to the extent of 50% of the total cost and by Deep Owners to the extent of 50% of the total cost.
- c) Any material and equipment acquired by any such expenditures provided for in Subparagraph (a) and (b) above shall be owned by the Shallow Owners and the Deep Owners so as to be consistent with the ownership of the material and equipment as set forth in Section 3, Article III.
- d) The working interest owners of each formation shall not be responsible for nor be charged with any loss of production from any other formations during any such operation.

10. Workover Operations of One Formation. After completion of a dual well, any subsequent workover, deepening, plugging back, or other operations or repair as to one formation only of such well, which requires a separation of the formations for the repair or other work on any portion of the well, shall be governed by the provisions which follow:

- a) The proposed plan of operation must be approved in accordance with the voting procedure prescribed by Section 7 of the Unit Operating Agreement prior to commencement of operations by the working interest owners of the formation not to be worked upon, if there be no participating area; or the working interest owners of the participating area for the formation not to be worked upon, if such well be within a participating area for that formation; or by the working interest owners of such well, if it be excluded from the participating area; whichever is applicable.
- b) The costs and expenses of any such operations will be borne by the working interest owners of the formation to be worked upon, or the working interest owners of the participating area for the formation to be worked upon or by the working interest owners of such well in the formation to be worked upon, whichever is applicable.
- c) The working interest owners bearing the cost of the operation shall not be liable to the working interest owners of the formation not being worked upon for cessation of production during such operations for a period of time not exceeding a total of ninety (90) days. In the event such cessation of production during operations is for a longer period of time, the working interest owners of the formation being worked upon, hereinafter referred to as Remedial Owners, shall pay to the working interest owners of the formation not being worked upon, hereinafter referred to as Damaged Owners, damages in such amount as shall be determined by Remedial Owners and Damaged Owners jointly in accordance with the voting procedure prescribed by Section 7 of the Unit Operating Agreement for loss of production occurring after a ninety (90) day period.
- d) If such operations disturb or remove the means of separation of the two formations in the well bore or otherwise require a cessation of production from the other formation not being reworked, the operator shall, before and after the operation, conduct a test of the well as to such other formation for the purpose of determining whether or not the producing capacity as to said formation has been impaired, by employing the procedure set forth as follows:
  - (1) For an oil well producing capacity will be measured by actual production obtained for thirty (30) producing days immediately preceding the workover and compared with the actual production for thirty (30) producing days immediately following the workover operations. If either the conditions or equipment have in any way been changed during the period of comparison, then the production figures obtained shall be corrected by calculation to account for any such change or changes.
  - (2) With respect to gas wells connected to a gas gathering system, the producing capacity shall be determined by the actual production before and after the workover

and shall be the thirty (30) days in which there was actual production into the line immediately before or after the workover as applicable with the well producing under similar pressure differential and other conditions. If the producing conditions or equipment size are different or the well is not connected to a gathering system, an appropriate applicable method will be utilized to determine the effect on deliverabilities which the workover has caused.

- (3) If the producing capacity of the well as to such other formation has been reduced in excess of twenty per cent (20%), damages will be deemed to have occurred. If damage has occurred, the rights and liabilities between Remedial Owners and Damaged Owners shall be adjusted in accordance with the provisions set out below:

Remedial Owners may at their sole cost, risk and expense attempt to restore the well to 80% of its former capacity or may pay to Damaged Owners the cost of a replacement well completed in the damaged formation. If the attempt is unsuccessful, or if no attempt is made, and if the cost of a replacement well is not so paid, Remedial Owners shall pay damages to Damaged Owners in an amount determined by the following formula:

$$\text{Damage Payment} = \text{Cost of Replacement Well} \\ \times \left( 1 - \frac{A}{0.80B} \right)$$

A = The capacity of the well from the damaged formation after the workover or other operation or after completion of any further work to restore the well as to the damaged formation which the Remedial Owners elect to perform.

B = The capacity of the well from the damaged formation before the workover or other operation which impaired the producing capacity of such well.

In no event, however, shall the amount of damages, computed in the manner hereinabove provided, exceed the value of the remaining recoverable reserves (less cost of recovery) of the formation as to which the well was damaged which could have been recovered from such well if it had not been damaged. If more than one capacity test is made after completion of the workover or other operation or work performed at the election of Remedial Owners, the last capacity obtained in such testing will be used in calculating the reduction of capacity. The Remedial Owners will pay such damages within fifteen (15) days following the date the amount of damages is determined. Payment of damages will not alter the ownership of formations or equipment except if cost of a replacement well is paid Remedial Owners shall own all material and equipment on or used in connection with the damaged well and shall bear all costs of plugging and abandonment. If an attempt to restore the well to 80% of its former capacity is made and such attempt is successful, Remedial Owners shall have no further liability.

- e) It is understood, however, that liability for loss or damages shall not accrue hereunder if: (1) in workover of the shallow formation such loss or damage exists prior to actual commencement of the operations to be performed in said formation, or.

in workover of the deep formation, loss or damage exists prior to penetration of workover equipment below the base of the shallow formation, and (2) the evidence is conclusive that the loss or damage resulted solely from the previously existing poor mechanical condition of the well.

11. Allocation of Overhead and District and Camp Expense in Dual Completion Operations. As to any well which was begun with the objective of dual completion and as to any well on which work is begun to deepen or to convert it into a dual completion, overhead charges during drilling shall be billed as though the well were a single well to be drilled to test the deepest formation, and for purposes of allocating district and camp expense among wells, each drilling well shall be treated as one well. Upon completion of such a well, each formation in which the well is completed shall be treated as a separate well for purposes of charging overhead and allocating field and camp expenses.

#### ARTICLE IV

##### Effective Date

When fully executed, as set forth in Article V, this Agreement shall be effective as to all parties hereto as of the first date hereinabove written, and unless otherwise terminated, it shall be effective as long as the Unit Agreement is effective. This Agreement may be terminated in any manner by which said Unit Agreement may be terminated.

#### ARTICLE V

##### Counterparts

This Amendment and Supplement 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 instrument in writing specifically referring hereto and shall be a binding agreement when all parties owning a working interest committed to the San Juan 28-7 Unit have executed such a counterpart, ratification or consent hereto, with the same force and effect as if all such parties had signed the same document.

EL PASO NATURAL GAS COMPANY

By 

ATTORNEY-IN-FACT

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SOUTHERN PETROLEUM EXPLORATION, INC.

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

DELHI-TAYLOR OIL CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

~~ATTEST:~~

TENNESSEE GAS TRANSMISSION COMPANY

\_\_\_\_\_

By \_\_\_\_\_

R. L. SIELAFF

AGENT & ATTORNEY-IN-FACT



ATTEST:

THREE STATES NATURAL GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS & OIL COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

ROCK ISLAND OIL AND REFINING COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

SAN JACINTO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

HONDO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

PUBCO PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SOUTHERN PETROLEUM EXPLORATION, INC.

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

DELHI-TAYLOR OIL CORPORATION

*Katherine Hughes*  
Assistant Secretary

By *W.C. Smith*  
Vice President

*W.C. Smith*  
16

ATTEST:

TENNESSEE GAS TRANSMISSION COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

THREE STATES NATURAL GAS COMPANY

*James T. Hardy*  
ASST. SECRETARY

By *J. H. ...*  
VICE-PRES.

ATTEST:

TENNESSEE GAS & OIL COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

ROCK ISLAND OIL AND REFINING COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

SAN JACINTO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

HONDO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

PUBCO PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST: SOUTHERN PETROLEUM EXPLORATION, INC.  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: DELHI-TAYLOR OIL CORPORATION  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: TENNESSEE GAS TRANSMISSION COMPANY  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: THREE STATES NATURAL GAS COMPANY  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: TENNESSEE GAS & OIL COMPANY  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: ROCK ISLAND OIL AND REFINING COMPANY  
*Franklin H. Adams*  
\_\_\_\_\_  
By *Frank C. Koch* atty

ATTEST: SAN JACINTO OIL & GAS COMPANY  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: HONDO OIL & GAS COMPANY  
\_\_\_\_\_  
By \_\_\_\_\_

ATTEST: PUBCO PETROLEUM CORPORATION  
\_\_\_\_\_  
By \_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SOUTHERN PETROLEUM EXPLORATION, INC.

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

DELHI-TAYLOR OIL CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS TRANSMISSION COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

THREE STATES NATURAL GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS & OIL COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

ROCK ISLAND OIL AND REFINING COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

SAN JACINTO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

HONDO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

PUBCO PETROLEUM CORPORATION

*Jack F. Shaw*  
\_\_\_\_\_  
*Secretary*

By *[Signature]*  
\_\_\_\_\_  
*Vice President*

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SOUTHERN PETROLEUM EXPLORATION, INC.

*[Handwritten Signature]*  
5069

By *Paul W. Hutchinson*  
President

ATTEST:

DELHI-TAYLOR OIL CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS TRANSMISSION COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

THREE STATES NATURAL GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS & OIL COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

ROCK ISLAND OIL AND REFINING COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

SAN JACINTO OIL & GAS COMPANY

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By \_\_\_\_\_

ATTEST:

HONDO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

PUBCO PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SOUTHERN PETROLEUM EXPLORATION, INC.

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

DELHI-TAYLOR OIL CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS TRANSMISSION COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

THREE STATES NATURAL GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS & OIL COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

ROCK ISLAND OIL AND REFINING COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

SAN JACINTO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

VICE PRESIDENT

ATTEST:

HONDO OIL & GAS COMPANY

*William B. McLaughlin*  
~~ASST.~~ SECRETARY

By *Donald B. Anderson*  
VICE PRESIDENT *HEH*

ATTEST:

PUBCO PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico. effective December 1, 1958.

ATTEST:

SOUTHERN PETROLEUM EXPLORATION, INC.

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

DELHI-TAYLOR OIL CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS TRANSMISSION COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

THREE STATES NATURAL GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

TENNESSEE GAS & OIL COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

ROCK ISLAND OIL AND REFINING COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

PETROLEUM CORP.  
SAN JACINTO/~~INDIAN GAS COMPANY~~

  
Assistant Secretary

By   
Vice President

ATTEST:

HONDO OIL & GAS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

PUBCO PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SHORELINE PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

EL PASO NATURAL GAS PRODUCTS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

Date 2-5-60

Alfred E. McJannet

Date 2-5-60

James M. McJannet

Date \_\_\_\_\_

\_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SHORELINE PETROLEUM CORPORATION

*Harold F. Duncan Jr.*  
Assistant Secretary

By *W. Richards*  
Vice President

ATTEST:

EL PASO NATURAL GAS PRODUCTS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SHORELINE PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

EL PASO NATURAL GAS PRODUCTS COMPANY

\_\_\_\_\_

By *Roland L Hamilton* & H/B  
Attorney-in-Fact

Date \_\_\_\_\_

\_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SHORELINE PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

EL PASO NATURAL GAS PRODUCTS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

Date 2-1-60

*Walter R. ...*

Date 2-1-60

*Valita R. ...*

Date \_\_\_\_\_

\_\_\_\_\_

Supplemental Execution Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

ATTEST:

SHORELINE PETROLEUM CORPORATION

\_\_\_\_\_

By \_\_\_\_\_

ATTEST:

EL PASO NATURAL GAS PRODUCTS COMPANY

\_\_\_\_\_

By \_\_\_\_\_

Date Feb. 8, 1960

*J. Glenn Jones*  
\_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_



Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958

STATE OF TEXAS            I  
                                  I  
COUNTY OF EL PASO       I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of EL PASO NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF                    I  
                                  I  
COUNTY OF                 I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of SOUTHERN PETROLEUM EXPLORATION, INC.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF                    I  
                                  I  
COUNTY OF                 I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of DELHI-TAYLOR OIL CORPORATION.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF *Colorado*        I  
                                  I  
*City of* COUNTY OF *Denver*    I

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of February, 1960, by R L SIELAFF, AGENT AND ATTORNEY-IN-FACT of TENNESSEE GAS TRANSMISSION COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public *C. L. Hart*

My Commission expires Aug 27, 1963

Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF TEXAS            I  
                                  I  
COUNTY OF EL PASO       I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of EL PASO NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF                    I  
                                  I  
COUNTY OF                 I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of SOUTHERN PETROLEUM EXPLORATION, INC.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF *Klad*            I  
                                  I  
COUNTY OF *Dallas*       I

The foregoing instrument was acknowledged before me this 3 day of February, 1960, by M. C. SMITH, Vice President of DELHI-TAYLOR OIL CORPORATION.

My Commission expires: \_\_\_\_\_  
*Joyce Prater*  
Notary Public  
JOYCE PRATER  
Notary Public, Dallas County, Texas  
My Commission Expires June 1, 1961

STATE OF                    I  
                                  I  
COUNTY OF                 I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of TENNESSEE GAS TRANSMISSION COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public

Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958

STATE OF TEXAS            I  
                                  I  
COUNTY OF EL PASO       I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of EL PASO NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

STATE OF WEST VA.        I  
                                  I  
COUNTY OF TYLER         I

The foregoing instrument was acknowledged before me this 2 day of Feb, 1960, by Paul W. Neuenschwander, President of SOUTHERN PETROLEUM EXPLORATION, INC.

My Commission expires: \_\_\_\_\_  
Notary Public Ray C. Newlin

STATE OF                    I  
                                  I  
COUNTY OF                 I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of DELHI-TAYLOR OIL CORPORATION.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

STATE OF                    I  
                                  I  
COUNTY OF                 I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of TENNESSEE GAS TRANSMISSION COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF Texas X  
COUNTY OF Dallas X

The foregoing instrument was acknowledged before me this 5th day of February, 1960, by J. P. Donahue, Jr., Vice President of THREE STATES NATURAL GAS COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public Nancy Harman

~~NANCY HARMAN  
Notary Public, Dallas County, Texas  
My Commission Expires June 1, 1961~~

STATE OF \_\_\_\_\_ X  
COUNTY OF \_\_\_\_\_ X

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of TENNESSEE GAS & OIL COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

STATE OF \_\_\_\_\_ X  
COUNTY OF \_\_\_\_\_ X

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of ROCK ISLAND OIL AND REFINING COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

STATE OF \_\_\_\_\_ X  
COUNTY OF \_\_\_\_\_ X

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of SAN JACINTO OIL & GAS COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_



Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF I  
COUNTY OF I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of THREE STATES NATURAL GAS COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF I  
COUNTY OF I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of TENNESSEE GAS & OIL COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF I  
COUNTY OF I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of ROCK ISLAND OIL AND REFINING COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF TEXAS I  
COUNTY OF HARRIS I

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of March, 19 61, by L. W. Goodrich, Vice President of ~~SAN JACINTO OIL & GAS COMPANY~~ SAN JACINTO PETROLEUM CORP.

My Commission expires: \_\_\_\_\_ Notary Public Patricia Hornsby

June 1, 1961

PATRICIA HORNSBY



Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF I  
COUNTY OF I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of HONDO OIL & GAS COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF I  
COUNTY OF I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of PUBCO PETROLEUM CORPORATION.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF TEXAS I  
COUNTY OF BEXAR I

The foregoing instrument was acknowledged before me this 18 day of FEBRUARY, 1960, by W.E. RICHARDS, Vice President of SHORELINE PETROLEUM CORPORATION.

My Commission expires: June 1, 1961  
Notary Public  
JUNE R. NABB  
NOTARY PUBLIC, BEXAR COUNTY TEXAS

STATE OF I  
COUNTY OF I

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of EL PASO NATURAL GAS PRODUCTS COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public

Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF             
                                  |  
                                  |  
COUNTY OF             
                                  |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of HONDO OIL & GAS COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF             
                                  |  
                                  |  
COUNTY OF             
                                  |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of PUBCO PETROLEUM CORPORATION.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF             
                                  |  
                                  |  
COUNTY OF             
                                  |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of SHORELINE PETROLEUM CORPORATION.

My Commission expires: \_\_\_\_\_ Notary Public

STATE OF TEXAS             
                                  |  
                                  |  
COUNTY OF EL PASO             
                                  |

The foregoing instrument was acknowledged before me this 27 day of May, 1960, by Roland L. Hamblin, Attorney-in-Fact of EL PASO NATURAL GAS PRODUCTS COMPANY.

My Commission expires: \_\_\_\_\_ Notary Public Mary T. Saxon  
MARY T. SAXON  
Notary Public in and for El Paso County, Texas  
My Commission Expires June 1, 1961

Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF NEW MEXICO |  
|  
COUNTY OF CHAVES |

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of \_\_\_\_\_, 1952, by Donald B. Anderson VICE PRESIDENT of HONDO OIL & GAS COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public [Signature]

STATE OF |  
|  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of PUBCO PETROLEUM CORPORATION.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

STATE OF |  
|  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of SHORELINE PETROLEUM CORPORATION.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

STATE OF |  
|  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_ of EL PASO NATURAL GAS PRODUCTS COMPANY.

My Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF TEXAS |  
|  
COUNTY OF DALLAS |

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of February, 1960, by Alfred E. McFarlane and John M. McFarlane.

My Commission expires:  
June 1, 1961

Barbara Malloy  
Notary Public Dallas County  
Texas  
BARBARA MALLOY

STATE OF |  
|  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

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

\_\_\_\_\_  
Notary Public

STATE OF |  
|  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

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

\_\_\_\_\_  
Notary Public

STATE OF |  
|  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires:

\_\_\_\_\_  
Notary Public

Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF Arizona |  
COUNTY OF Maricopa |

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of February, 1960, by W H & Valto Reddy

Lawrence J. Reddy  
Notary Public

My Commission expires:

My Commission Expires October 8, 1961

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires:

\_\_\_\_\_  
Notary Public

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires:

\_\_\_\_\_  
Notary Public

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires:

\_\_\_\_\_  
Notary Public

Supplemental Acknowledgement Page to Amendment and Supplement to San Juan 28-7 Unit Operating Agreement, County of Rio Arriba, State of New Mexico, effective December 1, 1958.

STATE OF N.M.  
COUNTY OF Santa Fe

The foregoing instrument was acknowledged before me this 8th day of February, 1960, by J. Glenn Woods

My Commission expires: April, 1961.  
Florine Samitta  
Notary Public

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires: \_\_\_\_\_  
Notary Public

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_.

My Commission expires: \_\_\_\_\_  
Notary Public