

AMENDMENT TO UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE MESCALERO RIDGE UNIT AREA

STATE OF NEW MEXICO

No. \_\_\_\_\_

*J. J. [unclear]  
W. J. [unclear]  
2060  
11/79*

THIS AGREEMENT, entered into as of the 5th day of May, 1961, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto,"

W I T N E S S E T H:

WHEREAS, the parties hereto, as of the 1st day of December, 1960, properly entered into a Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico; and

WHEREAS, the Commissioner of Public Lands, State of New Mexico, by Certificate of Approval dated March 6, 1961, approved the Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico; and

WHEREAS, the United States Geological Survey approved, on May 2, 1961, the Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico; and

WHEREAS, the parties hereto are the owners of working interest, record title, royalty interests, or other oil and gas interests in the unit area subject to this agreement.

NOW, THEREFORE, in consideration of the premises and promises contained in the afore-described Mescalero Ridge Unit Agreement, the parties hereto agree severally among themselves that the said Mescalero Ridge Unit Agreement shall be amended as follows:

That the first four (4) lines, namely, lines 24, 25, 26, and 27 of Section 20 on page 17 shall be deleted and the following shall be substituted therefor:

"This Agreement shall become effective upon approval by the Commissioner and the Director, or their duly authorized representatives as of the date of approval by the Director, and shall terminate five (5) years from said effective date unless..."

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 instrument in writing specifically referring hereto and shall be binding upon all those parties who 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 and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described unit area.

The Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico, dated the 1st day of December, 1960, shall remain in all things in full force and effect except as same has been amended hereby.

IN WITNESS WHEREOF, this Agreement is executed by the undersigned parties hereto as of the dates set opposite their respective signatures.

UNIT OPERATOR AND WORKING INTEREST OWNER

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

EL PASO NATURAL GAS COMPANY

P. O. Box 1492  
El Paso, Texas

By \_\_\_\_\_  
Attorney-in-Fact

OTHER WORKING INTEREST OWNERS

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

DRILLING AND EXPLORATION COMPANY, INC.

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_  
Vice President

Exchange Bank Building  
P. O. Box 35366, Airlawn Station  
Dallas 35, Texas

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

WESTERN NATURAL GAS COMPANY

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_

P. O. Box 1508  
Houston 1, Texas

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

\_\_\_\_\_  
CHAS. C. BANKHEAD, JR.

3107 Southland Center  
Dallas 1, Texas

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

\_\_\_\_\_  
W. A. MONCRIEF

Petroleum Building  
Ninth at Commerce  
Fort Worth, Texas

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_, Trust Officer

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

CHARLES G. SANFORD

DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

JULIA BRAINARD

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

ATTEST:

\_\_\_\_\_  
Albuquerque, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_ Trustee

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

P. O. Box 40  
Palm Springs, California

MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

MRS. MARJORIE NELL WELCH HICKEY

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

1386 Casiono Road  
Los Angeles 49, California

ROBERT H. WELCH

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

248 South Parkwood Lane  
Sichita 18, Kansas

GEORGE H. HANNUM

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

ELIZABETH W. CHANEY

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

OLEN F. FEATHERSTONE

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

RUBIE CROSBY BELL

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

BONNIE H. MORRISON

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

MARSHALL & WINSTON, INC.

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

ATTEST:

By \_\_\_\_\_

STATE OF TEXAS

§  
§  
§

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

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

STATE OF

§  
§  
§

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of  
DRILLING AND EXPLORATION COMPANY, INC., a \_\_\_\_\_ corporation, on  
behalf of said corporation.

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

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

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_ of WESTERN NATURAL GAS COMPANY, a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trust Officer, THE FIRST NATIONAL BANK OF FORT WORTH, CO-TRUSTEE UNDER THE WILL OF CLARENCE C. HYDE, DECEASED, on behalf of said bank.

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trustee, ALBUQUERQUE NATIONAL BANK, TESTAMENTARY TRUSTEE OF F. A. ANDREWS, DECEASED, on behalf of said bank.

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_ of MARSHALL & WINSTON, INC., a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by FRANCES W. HYDE, Individually and as Co-Trustee under the Will of Clarence E. Hyde, Deceased.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

||  
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||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - IEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND</u>							
<u>T. 19 S., R. 34 E.</u>							
1	Sec. 34: N $\frac{1}{2}$ , N $\frac{1}{4}$ S $\frac{1}{2}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35: All	1240.00	NM 052 2-1-50 Ext. to 12-31-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc. W. A. Moncrief Frances W. Hyde Frances W. Hyde and The First National Bank of Fort Worth, Co-Trustees under Will of Clarence E. Hyde, Deceased	Dorothy B. Sanford and Charles G. Sanford Olen F. Featherstone Rubie Crosby Bell Elizabeth W. Chaney	Drilling and Exploration Company, Inc. W. A. Moncrief Frances W. Hyde Frances W. Hyde and The First National Bank of Fort Worth, Co-Trustees Under Will of Clarence E. Hyde, Deceased
2	Sec. 34: SE $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	NM 052-A 2-1-50 Ext. to 12-31-61	U.S.A. 12 $\frac{1}{2}$ % All	Chas. C. Bankhead, Jr.	Dorothy B. Sanford and Charles G. Sanford Olen F. Featherstone Rubie Crosby Bell Elizabeth W. Chaney	Chas. C. Bankhead, Jr. All
3	Sec. 21: W $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$	120.00	NM 02391 10-1-50 Ext. to 8-1-62	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	None	Drilling and Exploration Company, Inc. All

December 1, 1960

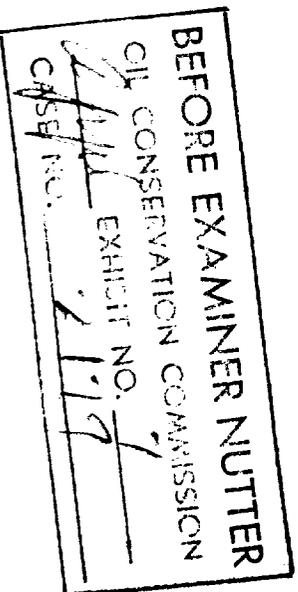


EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - IEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
4	Sec. 21: NE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00	NM 02391-A 10-1-50 Ext. to 8-1-62	U.S.A. 12 $\frac{1}{2}$ % All	Chas. C. Bankhead, Jr.	None	Chas. C. Bankhead, Jr. All
5	Sec. 28: E $\frac{1}{2}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$	440.00	NM 02990 2-1-51 Ext. to 1-1-63	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	Drilling and Exploration Company, Inc. All
6	Sec. 28: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	NM 02990-A 2-1-51 Ext. to 1-1-63	U.S.A. 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company Western Natural Gas Company	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	El Paso Natural Gas Company Western Natural Gas Company 1/2
7	Sec. 26: E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 27: S $\frac{1}{2}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$	480.00	NM 04452 5-1-51 Ext. to 5-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	Drilling and Exploration Company, Inc. All
8	Sec. 22: S $\frac{1}{2}$ Sec. 23: S $\frac{1}{2}$ Sec. 26: N $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ Sec. 27: NE $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 33: N $\frac{1}{2}$	1440.00	NM 05083 6-1-51 Ext. to 6-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	Drilling and Exploration Company, Inc. All

December 1, 1960

EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - IEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
9	Sec. 26: SE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$	320.00	NM 05519 9-1-51 Ext. to 9-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	1.00% 1.00% 3.00% Drilling and Exploration Company, Inc. All
10	Sec. 21: E $\frac{1}{2}$ , SW $\frac{1}{4}$ Sec. 28: NW $\frac{1}{4}$ Sec. 30: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$ (All)	1281.80	NM 056376 7-1-60 5 years	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	Albuquerque National Bank, Testamentary Trustee of F. A. Andrews, Deceased Selma E. Andrews Marshall & Winston, Inc. Wm. S. Bailey, Jr. Hattie C. Evans Nell Welch Gillespie Van P. Welch, Jr. Marjorie Nell Welch Hikey Robert Hill Welch	0.25000% 0.11574% 0.13426% 0.25000% 0.25000% 0.12500% 1.87500% 0.37500% 0.37500% 0.37500% 0.37500% 3.87500%

December 1, 1960

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
11	Sec. 19: Lots 1,2,3,4, E <sup>1</sup> / <sub>2</sub> W <sup>1</sup> / <sub>2</sub> , E <sup>1</sup> / <sub>2</sub> (All)	1119.28	MM 0141013 9-1-50	U.S.A. 12 <sup>1</sup> / <sub>2</sub> % All	Drilling and Exploration Company, Inc.	Julia Brainard	3.00% Drilling and Exploration Company, Inc. All
	Sec. 20: E <sup>1</sup> / <sub>2</sub> , SW <sup>1</sup> / <sub>4</sub>		Ext. to 11-1-62				
12	Sec. 29: N <sup>1</sup> / <sub>2</sub> , N <sup>1</sup> / <sub>2</sub> S <sup>1</sup> / <sub>2</sub> , S <sup>1</sup> / <sub>2</sub> E <sup>1</sup> / <sub>4</sub> , SE <sup>1</sup> / <sub>4</sub> SW <sup>1</sup> / <sub>4</sub>	600.00	LC 068037 7-1-49	U.S.A. 12 <sup>1</sup> / <sub>2</sub> % All	Drilling and Exploration Company, Inc.	Albuquerque National Bank, Testamentary Trustee of F. A. Andrews, Deceased	0.11574% Selma F. Andrews 0.13426% Marshall & Winston, Inc. 0.25000% Wm. S. Bailey, Jr. 0.25000% Hattie C. Evans 0.12500% Nell Welch 1.87500% Gillespie Van P. Welch, Jr. 0.37500% Marjorie Nell Welch Hikey 0.37500% Robert Hill Welch 3.87500%
			Ext. to 6-1-61				

December 1, 1960

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
13	Sec. 29: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	LC 068037-A 7-1-49 Ext. to 6-1-61	U.S.A. 12 $\frac{1}{2}$ % ALL	Chas. C. Bankhead, Jr.	Albuquerque National Bank, Testamentary Trustee of F. A. Andrews, Deceased Selma E. Andrews Marshall & Winston, Inc. Wm. S. Bailey, Jr. Hattie C. Evans Nell Welch Gillespie Van P. Welch, Jr. Marjorie Nell Welch Hikey Robert Hill Welch	Chas. C. Bankhead, Jr. ALL 0.11574% 0.13426% 0.25000% 0.25000% 0.12500% 1.87500% 0.37500% 0.37500% 0.37500% <u>3.87500%</u>

TOTAL FEDERAL LANDS - 7,201.08 Acres

December 1, 1960

EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - LEA COUNTY, NEW MEXICO

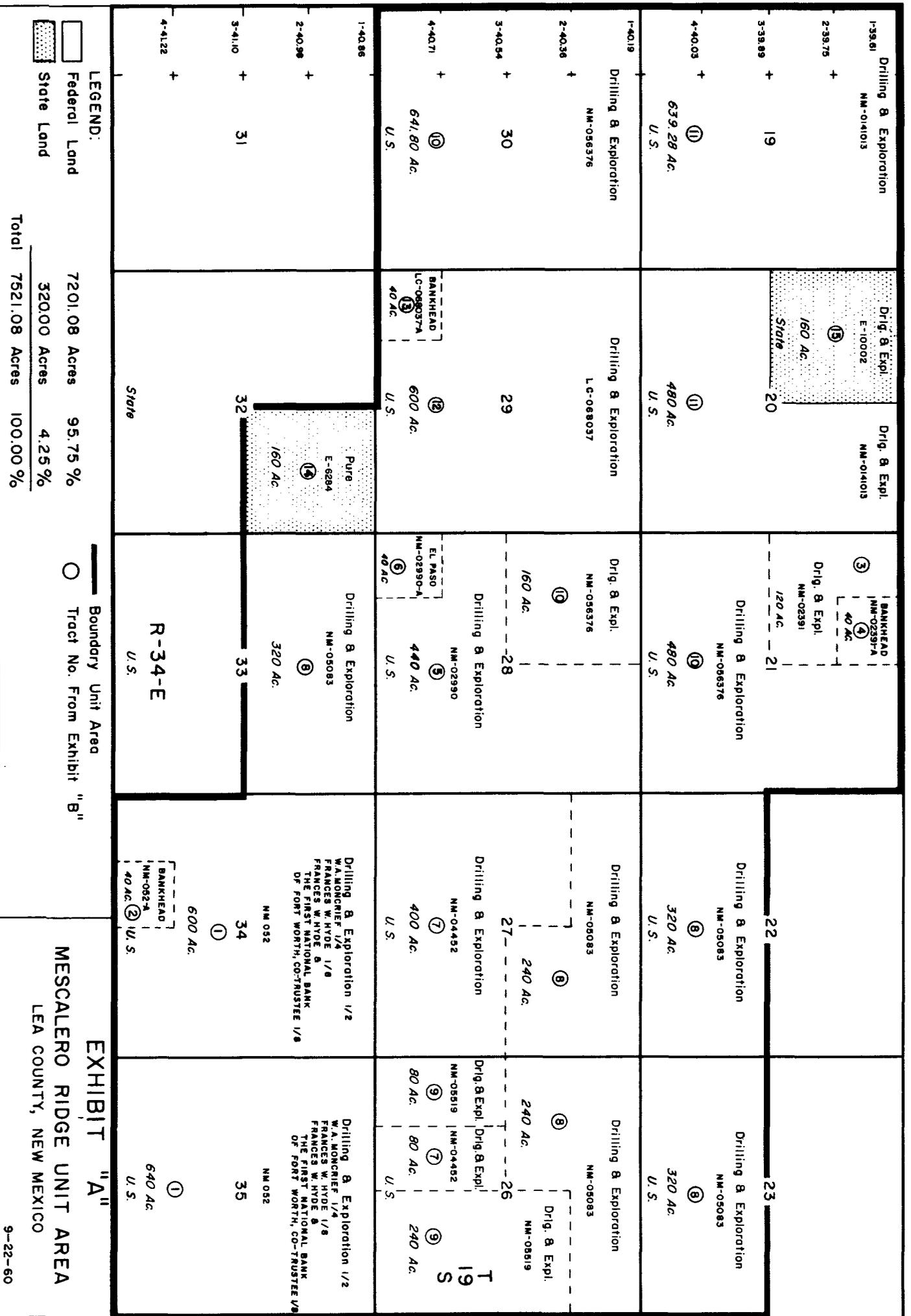
Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner or Application	Lease	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>STATE LAND</u>								
<u>T. 19 S., R. 34 E.</u>								
14	Sec. 32: NE $\frac{1}{4}$	160.00	E 6284 6-10-52 10 years	State N.M. 12 $\frac{1}{2}$ % All	Pure Oil Company	None	None	Pure Oil Company All
15	Sec. 20: NW $\frac{1}{4}$	160.00	E 10002 4-17-56 10 years	State N.M. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	None	None	Drilling and Exploration Company, Inc. All

TOTAL STATE LANDS - 320.00 Acres

R E C A P I T U L A T I O N

<u>LAND</u>	<u>ACREAGE</u>	<u>PERCENTAGE</u>
Federal	7,201.08	95.75%
State	<u>320.00</u>	<u>4.25%</u>
Totals	7,521.08	100.00%

December 1, 1960



LEGEND:

Federal Land

State Land

7201.08 Acres	95.75 %
32000 Acres	4.25 %
<b>Total 7521.08 Acres</b>	<b>100.00 %</b>

Boundary Unit Area

Tract No. From Exhibit "B"

**EXHIBIT "A"**

**MESCALERO RIDGE UNIT AREA**

LEA COUNTY, NEW MEXICO

9-22-60

<b>BEFORE EXAMINER NUTTER</b>	
OIL CONSERVATION COMMISSION	
<i>OP/PL</i>	EXHIBIT NO. <u>2</u>
CASE NO.	<u>2179</u>

UNIT AGREEMENT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE MESCALERO RIDGE UNIT AREA  
COUNTY OF LEA  
STATE OF NEW MEXICO

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EXHIBITS

- Exhibit "A" - Map of Unit Area
- Exhibit "B" - Schedule of Ownership in Lands

UNIT AGREEMENT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE MESCALERO RIDGE UNIT AREA  
COUNTY OF LEA  
STATE OF NEW MEXICO

NO. \_\_\_\_\_

1           THIS AGREEMENT, entered into as of the 1st day of December, 1960, by  
2 and between the parties subscribing, ratifying, or consenting hereto, and herein  
3 referred to as the "parties hereto,"

W I T N E S S E T H:

5           WHEREAS, the parties hereto are the owners of working, royalty or other  
6 oil and gas interests in the unit area subject to this agreement, and

7           WHEREAS, the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as  
8 amended, 30 U.S.C. Sec. 181 et seq., authorizes Federal lessees and their repre-  
9 sentatives to unite with each other, or jointly or separately with others, in  
10 collectively adopting and operating a cooperative or unit plan of development or  
11 operation of any oil or gas pool, field, or like area, or any part thereof, for  
12 the purpose of more properly conserving the natural resources thereof whenever  
13 determined and certified by the Secretary of the Interior to be necessary or  
14 advisable in the public interest; and

15           WHEREAS, the Commissioner of Public Lands of the State of New Mexico is  
16 authorized by an act of the Legislature (Chapter 88, Laws 1943) to consent to  
17 and approve the development or operation of lands of the State of New Mexico under  
18 this agreement; and

19           WHEREAS, the Oil Conservation Commission of the State of New Mexico is  
20 authorized by an act of the Legislature (Chapter 72, Laws 1935, as amended by  
21 Chapter 193, Laws of 1937, Chapter 166, Laws of 1941, and Chapter 168, Laws of  
22 1949) to approve this agreement and the conservation provisions hereof; and

23           WHEREAS, the parties hereto hold sufficient interests in the Mescalero  
24 Ridge Unit Area covering the land hereinafter described to give reasonably effec-  
25 tive control of operations therein; and

26           WHEREAS, it is the purpose of the parties hereto to conserve natural  
27 resources, prevent waste, and secure other benefits obtainable through develop-  
28 ment and operation of the area subject to this agreement under the terms, con-  
29 ditions, and limitations herein set forth;

1 NOW, THEREFORE, in consideration of the premises and the promises herein 1  
2 contained, the parties hereto commit to this agreement their respective interests 2  
3 in the below-defined unit area, and agree severally among themselves as follows: 3

4 1. ENABLING ACT AND REGULATIONS. 4

5 The Mineral Leasing Act of February 25, 1920, as amended, supra, and all 5  
6 valid pertinent regulations, including operating and unit plan regulations, hereto- 6  
7 fore issued thereunder or valid, pertinent, and reasonable regulations hereafter 7  
8 issued thereunder are accepted and made a part of this agreement as to Federal 8  
9 lands, provided such regulations are not inconsistent with the terms of this 9  
10 agreement; and as to non-Federal lands, the oil and gas operating regulations in 10  
11 effect as of the effective date hereof governing drilling and producing operations, 11  
12 not inconsistent with the terms hereof or the laws of the State of New Mexico, 12  
13 are hereby accepted and made a part of this agreement. 13

14 2. UNIT AREA. 14

15 The area specified on the map attached hereto marked Exhibit "A" is here- 15  
16 by designated and recognized as constituting the unit area, containing 7,521.08 16  
17 acres, more or less. 17

18 Exhibit "A" shows, in addition to the boundary of the unit area, the 18  
19 boundaries and identity of tracts and leases in said area to the extent known to 19  
20 the Unit Operator. Exhibit "B" attached hereto is a schedule showing to the ex- 20  
21 tent known to the Unit Operator the acreage, percentage, and kind of ownership of 21  
22 oil and gas interests in all land in the unit area. However, nothing herein or 22  
23 in said schedule or map shall be construed as a representation by any party here- 23  
24 to as to the ownership of any interest other than such interest or interests as 24  
25 are shown in said map or schedule as owned by such party. Exhibits "A" and "B" 25  
26 shall be revised by the Unit Operator whenever changes in the unit area render 26  
27 such revision necessary, or when requested by the Oil and Gas Supervisor, herein- 27  
28 after referred to as "Supervisor," or when requested by the Commissioner of Public 28  
29 Lands of the State of New Mexico, hereinafter referred to as "Commissioner," 29  
30 and not less than six copies of the revised exhibits shall be filed with the 30  
31 Supervisor and two copies thereof shall be filed with the Commissioner and a 31  
32 copy with the New Mexico Oil Conservation Commission, hereinafter referred to 32  
33 as the "Commission." 33

34 The above-described unit area shall when practicable be expanded to 34

1 include therein any additional tract or tracts regarded as reasonably necessary or 1  
2 advisable for the purposes of this agreement, or shall be contracted to exclude 2  
3 lands not within any participating area whenever such expansion or contraction is 3  
4 necessary or advisable to conform with the purposes of this agreement. Such 4  
5 expansion or contraction shall be effected in the following manner: 5

6 (a) Unit Operator, on its own motion or on demand of the Director of the 6  
7 Geological Survey, hereinafter referred to as "Director," or on demand of the 7  
8 Commissioner, after preliminary concurrence by the Director, shall prepare a notice 8  
9 of proposed expansion or contraction describing the contemplated changes in the 9  
10 boundaries of the unit area, the reasons therefor, and the proposed effective date 10  
11 thereof, preferably the first day of a month subsequent to the date of notice. 11

12 (b) Said notice shall be delivered to the Commission, the Commissioner, 12  
13 and the Supervisor, and copies thereof mailed to the last known address of each 13  
14 working interest owner, lessee, and lessor whose interests are affected, advis- 14  
15 ing that 30 days will be allowed for submission to the Unit Operator of any 15  
16 objections. 16

17 (c) Upon expiration of the 30-day period provided in the preceding item 17  
18 (b) hereof, Unit Operator shall file with the Commission, the Commissioner, and 18  
19 the Supervisor evidence of mailing of the notice of expansion or contraction and 19  
20 a copy of any objections thereto which have been filed with the Unit Operator, 20  
21 together with an application in sufficient number, for approval of such expansion 21  
22 or contraction, and with appropriate joinders. 22

23 (d) After due consideration of all pertinent information, the expansion 23  
24 or contraction shall, upon approval by the Commission, the Commissioner, and the 24  
25 Director, become effective as of the date prescribed in the notice thereof. 25

26 (e) All legal subdivisions of unitized lands (i.e., 40 acres by Gov- 26  
27 ernment survey or its nearest lot or tract equivalent in instances of irregular 27  
28 surveys, however, unusually large lots or tracts shall be considered in multiples 28  
29 of 40 acres, or the nearest aliquot equivalent thereof, for the purpose of elimin- 29  
30 ation under this subsection), no parts of which are entitled to be in a partici- 30  
31 pating area within 5 years after the first day of the month following the effec- 31  
32 tive date of the first initial participating area established under this unit 32  
33 agreement, shall be eliminated automatically from this agreement, effective as of 33  
34 the first day thereafter, and such lands shall no longer be a part of the unit 34

1 area and shall no longer be subject to this agreement, unless at the expiration of 1  
2 said 5-year period diligent drilling operations are in progress on unitized lands 2  
3 not entitled to participation, in which event all such lands shall remain subject 3  
4 hereto for so long as such drilling operations are continued diligently, with not 4  
5 more than 90 days' time elapsing between the completion of one such well and the 5  
6 commencement of the next such well, except that the time allowed between such 6  
7 wells shall not expire earlier than 30 days after the expiration of any period of 7  
8 time during which drilling operations are prevented by a matter beyond the rea- 8  
9 sonable control of Unit Operator as set forth in the section hereof entitled 9  
10 "Unavoidable Delay"; provided that all legal subdivisions of land not in a par- 10  
11 ticipating area and not entitled to become participating under the applicable 11  
12 provisions of this agreement within 10 years after said first day of the month 12  
13 following the effective date of said first initial participating area shall be 13  
14 eliminated as above specified. Determination of creditable "Unavoidable Delay" 14  
15 time shall be made by Unit Operator and subject to approval of the Director. 15  
16 The Unit Operator shall, within 90 days after the effective date of any elimination 16  
17 hereunder, describe the area so eliminated to the satisfaction of the Commissioner 17  
18 and the Director and promptly notify all parties in interest. 18

19 If conditions warrant extension of the 10-year period specified in this 19  
20 subsection 2(e), a single extension of not to exceed 2 years may be accomplished 20  
21 by consent of the owners of 90% of the current unitized working interests and 60% 21  
22 of the current unitized basic royalty interests (exclusive of the basic royalty 22  
23 interests of the United States), on a total-nonparticipating-acreage basis, 23  
24 respectively, with approval of the Commissioner and the Director, provided such 24  
25 extension application is submitted to the Commissioner and the Director not later 25  
26 than 60 days prior to the expiration of said 10-year period. 26

27 Any expansion of the unit area pursuant to this section which embraces 27  
28 lands theretofore eliminated pursuant to this subsection 2(e) shall not be con- 28  
29 sidered automatic commitment or recommitment of such lands. 29

### 30 3. UNITIZED LAND AND UNITIZED SUBSTANCES. 30

31 All land committed to this agreement shall constitute land referred to 31  
32 herein as "unitized land" or "land subject to this agreement." All oil and gas 32  
33 in any and all formations of the unitized land are unitized under the terms of 33  
34 this agreement and herein are called "unitized substances." 34



1 The Unit Operator may, upon default or failure in the performance of its 1  
2 duties or obligations hereunder, be subject to removal by the same percentage vote 2  
3 of the owners of working interests determined in like manner as herein provided 3  
4 for the selection of a new Unit Operator. Such removal shall be effective upon 4  
5 notice thereof to the Commissioner and the Director. 5

6 The resignation or removal of Unit Operator under this agreement shall 6  
7 not terminate its right, title, or interest as the owner of a working interest or 7  
8 other interest in unitized substances, but upon the resignation or removal of Unit 8  
9 Operator becoming effective, such Unit Operator shall deliver possession of all 9  
10 equipment, materials, and appurtenances used in conducting the unit operations 10  
11 and owned by the working interest owners to the new duly qualified successor Unit 11  
12 Operator or to the owners thereof if no such new Unit Operator is elected, to be 12  
13 used for the purpose of conducting unit operations hereunder. Nothing herein 13  
14 shall be construed as authorizing removal of any material, equipment, and appurten- 14  
15 ances needed for the preservation of any wells. 15

16 6. SUCCESSOR UNIT OPERATOR. 16

17 Whenever the Unit Operator shall tender his or its resignation as Unit 17  
18 Operator or shall be removed as hereinabove provided, the owners of the working 18  
19 interests in the participating area or areas according to their respective acre- 19  
20 age interests in such participating area or areas, or, until a participating area 20  
21 shall have been established, the owners of the working interests according to 21  
22 their respective acreage interests in all unitized land, shall by majority vote 22  
23 select a successor Unit Operator; Provided, That, if a majority but not less than 23  
24 75% of the working interests qualified to vote are owned by one party to this 24  
25 agreement, a concurring vote of one or more additional working interest owners 25  
26 shall be required to select a new operator. Such selection shall not become effec- 26  
27 tive until (a) a Unit Operator so selected shall accept in writing the duties and 27  
28 responsibilities of Unit Operator, and (b) the selection shall have been approved 28  
29 by the Commissioner and the Director. If no successor Unit Operator is selected 29  
30 and qualified as herein provided, the Commissioner and the Director at their 30  
31 election may declare this unit agreement terminated. 31

32 7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT. 32

33 Costs and expenses incurred by Unit Operator in conducting unit opera- 33  
34 tions hereunder shall be paid and apportioned among and borne by the owners of 34

1 working interests, all in accordance with the agreement or agreements entered into 1  
2 by and between the Unit Operator and the owners of working interests, whether one 2  
3 or more, separately or collectively. Any agreement or agreements entered into 3  
4 between the working interest owners and the Unit Operator as provided in this 4  
5 section, whether one or more, are herein referred to as the "unit operating agree- 5  
6 ment." Such unit operating agreement shall also provide the manner in which the 6  
7 working interest owners shall be entitled to receive their respective proportion- 7  
8 ate and allocated share of the benefits accruing hereto in conformity with their 8  
9 underlying operating agreements, leases, or other independent contracts, and such 9  
10 other rights and obligations as between Unit Operator and the working interest 10  
11 owners as may be agreed upon by Unit Operator and the working interest owners; 11  
12 however, no such unit operating agreement shall be deemed either to modify any of 12  
13 the terms and conditions of this unit agreement or to relieve the Unit Operator of 13  
14 any right or obligation established under this unit agreement, and in case of any 14  
15 inconsistency or conflict between the unit agreement and the unit operating agree- 15  
16 ment, this unit agreement shall prevail. Three true copies of any unit operating 16  
17 agreement executed pursuant to this section should be filed with the Supervisor 17  
18 prior to approval of this unit agreement by the Director. 18

19 8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR. 19

20 Except as otherwise specifically provided herein, the exclusive right, 20  
21 privilege, and duty of exercising any and all rights of the parties hereto which 21  
22 are necessary or convenient for prospecting for, producing, storing, allocating, 22  
23 and distributing the unitized substances are hereby delegated to and shall be 23  
24 exercised by the Unit Operator as herein provided. Acceptable evidence of title 24  
25 to said rights shall be deposited with said Unit Operator, and together with this 25  
26 agreement, shall constitute and define the rights, privileges, and obligations of 26  
27 Unit Operator. Nothing herein, however, shall be construed to transfer title to 27  
28 any land or to any lease or operating agreement, it being understood that under 28  
29 this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise 29  
30 the rights of possession and use vested in the parties hereto only for the purposes 30  
31 herein specified. 31

32 9. DRILLING TO DISCOVERY. 32

33 Within 6 months after the effective date hereof, the Unit Operator shall 33  
34 begin to drill an adequate test well at a location approved by the Supervisor if 34

1 on Federal land or the Commission if on State land, unless on such effective date 1  
2 a well is being drilled conformably with the terms hereof, and thereafter continue 2  
3 such drilling diligently until the top of the Mississippian formation has been 3  
4 tested or until at a lesser depth unitized substances shall be discovered which 4  
5 can be produced in paying quantities (to-wit: quantities sufficient to repay the 5  
6 costs of drilling, and producing operations, with a reasonable profit) or the Unit 6  
7 Operator shall at any time establish to the satisfaction of the Supervisor if on 7  
8 Federal land or the Commissioner if on State land that further drilling of said 8  
9 well would be unwarranted or impracticable, provided, however, that Unit Operator 9  
10 shall not in any event be required to drill said well to a depth in excess of 10  
11 14,000 feet. Until discovery of a deposit of unitized substances capable of being 11  
12 produced in paying quantities, the Unit Operator shall continue drilling diligently 12  
13 one well at a time, allowing not more than 6 months between the completion of one 13  
14 well and the beginning of the next well, until a well capable of producing unitized 14  
15 substances in paying quantities is completed to the satisfaction of said Supervisor 15  
16 if on Federal land or the Commissioner if on State land, or until it is reasonably 16  
17 proved that the unitized land is incapable of producing unitized substances in 17  
18 paying quantities in the formations drilled hereunder. Nothing in this section 18  
19 shall be deemed to limit the right of the Unit Operator to resign as provided in 19  
20 Section 5 hereof, or as requiring Unit Operator to commence or continue any 20  
21 drilling during the period pending such resignation becoming effective in order 21  
22 to comply with the requirements of this section. The Commissioner and the Di- 22  
23 rector may modify the drilling requirements of this section by granting reasonable 23  
24 extensions of time when, in their opinion, such action is warranted. 24

25 Upon failure to comply with the drilling provisions of this section, the 25  
26 Commissioner and the Director may, after reasonable notice to the Unit Operator, 26  
27 and each working interest owner, lessee, and lessor at their last known addresses, 27  
28 declare this unit agreement terminated. 28

29 10. PLAN OF FURTHER DEVELOPMENT AND OPERATION. 29

30 Within 6 months after completion of a well capable of producing unitized 30  
31 substances in paying quantities, the Unit Operator shall submit for the approval 31  
32 of the Commissioner and the Supervisor an acceptable plan of development and opera- 32  
33 tion for the unitized land which, when approved by the Commissioner and the Super- 33  
34 visor, shall constitute the further drilling and operating obligations of the Unit 34

1 Operator under this agreement for the period specified therein. Thereafter, from 1  
2 time to time before the expiration of any existing plan, the Unit Operator shall 2  
3 submit for the approval of the Commissioner and the Supervisor a plan for an 3  
4 additional specified period for the development and operation of the unitized land. 4  
5 Any plan submitted pursuant to this section shall provide for the exploration of 5  
6 the unitized area and for the diligent drilling necessary for determination of the 6  
7 area or areas thereof capable of producing unitized substances in paying quantities 7  
8 in each and every productive formation and shall be as complete and adequate as 8  
9 the Commissioner and the Supervisor may determine to be necessary for timely devel- 9  
10 opment and proper conservation of the oil and gas resources of the unitized area 10  
11 and shall (a) specify the number and locations of any wells to be drilled and the 11  
12 proposed order and time for such drilling; and (b) to the extent practicable 12  
13 specify the operating practices regarded as necessary and advisable for proper 13  
14 conservation of natural resources. Separate plans may be submitted for separate 14  
15 productive zones, subject to the approval of the Commissioner and the Supervisor. 15  
16 Said plan or plans shall be modified or supplemented when necessary to meet 16  
17 changed conditions or to protect the interests of all parties to this agreement. 17  
18 Reasonable diligence shall be exercised in complying with the obligations of the 18  
19 approved plan of development. The Commissioner and the Supervisor are authorized 19  
20 to grant a reasonable extension of the 6-month period herein prescribed for sub- 20  
21 mission of an initial plan of development where such action is justified because 21  
22 of unusual conditions or circumstances. After completion hereunder of a well 22  
23 capable of producing any unitized substance in paying quantities, no further wells, 23  
24 except such as may be necessary to afford protection against operations not under 24  
25 this agreement or such as may be specifically approved by the Commissioner and the 25  
26 Supervisor, shall be drilled except in accordance with a plan of development 26  
27 approved as herein provided. 27

28 11. PARTICIPATION AFTER DISCOVERY. 28

29 Upon completion of a well capable of producing unitized substances in 29  
30 paying quantities or as soon thereafter as required by the Commissioner or the 30  
31 Supervisor, the Unit Operator shall submit for approval by the Commissioner and the 31  
32 Director a schedule, based on subdivisions of the public-land survey or aliquot 32  
33 parts thereof as to Federal land, and, as to non-Federal lands, based upon appro- 33  
34 priate computations from the courses and distances shown on the last approved 34

1 public-land survey as of the effective date of the initial participating area, of 1  
2 all unitized land then regarded as reasonably proved to be productive of unitized 2  
3 substances in paying quantities; all lands in said schedule on approval of the 3  
4 Commissioner and the Director to constitute a participating area, effective as 4  
5 of the date of completion of the well or the effective date of this unit agreement, 5  
6 whichever is later. Said schedule also shall set forth the percentage of unitized 6  
7 substances to be allocated as herein provided to each unitized tract in the par- 7  
8 ticipating area so established, and shall govern the allocation of production 8  
9 from and after the date the participating area becomes effective. A separate par- 9  
10 ticipating area shall be established in like manner for each separate pool or 10  
11 deposit of unitized substances or for any group thereof produced as a single pool 11  
12 or zone, and any two or more participating areas so established may be combined 12  
13 into one with the consent of the owners of all working interests in the lands with- 13  
14 in the participating areas so to be combined, on approval of the Commissioner and 14  
15 the Director. The participating area or areas so established shall be revised from 15  
16 time to time, subject to like approval, whenever such action appears proper as a 16  
17 result of further drilling operations or otherwise, to include additional land then 17  
18 regarded as reasonably proved to be productive in paying quantities, or to exclude 18  
19 land then regarded as reasonably proved not to be productive in paying quantities 19  
20 and the percentage of allocation shall also be revised accordingly. The effective 20  
21 date of any revision shall be the first of the month in which is obtained the 21  
22 knowledge or information on which such revision is predicated, provided, however, 22  
23 that a more appropriate effective date may be used if justified by the Unit Operator 23  
24 and approved by the Commissioner and the Director. No land shall be excluded from 24  
25 a participating area on account of depletion of the unitized substances. 25

26 It is the intent of this section that a participating area shall repre- 26  
27 sent the area known or reasonably estimated to be productive in paying quantities; 27  
28 but, regardless of any revision of the participating area, nothing herein contained 28  
29 shall be construed as requiring any retroactive adjustment for production obtained 29  
30 prior to the effective date of the revision of the participating area. 30

31 In the absence of agreement at any time between the Unit Operator, the 31  
32 Commissioner, and the Director as to the proper definition and redefinition of a 32  
33 participating area, or until a participating area has, or areas have, been estab- 33  
34 lished as provided herein, the portion of all payments affected thereby may be 34

1 impounded in a manner mutually acceptable to the owners of working interest, ex- 1  
2 cept royalties due the United States and the State of New Mexico, which shall be 2  
3 determined by the Supervisor and the Commissioner and the amount thereof deposited 3  
4 as directed by the Supervisor, and the Commissioner, respectively, to be held as 4  
5 unearned money until a participating area is finally approved and then applied as 5  
6 earned or returned in accordance with a determination of the sum due as Federal 6  
7 and State royalty on the basis of such approved participating area. 7

8 Whenever it is determined, subject to the approval of the Supervisor as 8  
9 to wells on Federal land, the Commissioner as to wells on State land, that a well 9  
10 drilled under this agreement is not capable of production in paying quantities 10  
11 and inclusion of the land on which it is situated in a participating area is 11  
12 unwarranted, production from such well, for the purposes of settlement among all 12  
13 parties other than working interest owners, shall be allocated to the land on 13  
14 which the well is located so long as such land is not within a participating area 14  
15 established for the pool or deposit from which such production is obtained. 15  
16 Settlement for working interest benefits from such a well shall be made as provided 16  
17 in the unit operating agreement. 17

18 12. ALLOCATION OF PRODUCTION. 18

19 All unitized substances produced from each participating area established 19  
20 under this agreement, except any part thereof used in conformity with good oper- 20  
21 ating practices within the unitized area for drilling, operating, camp and other 21  
22 production or development purposes, for repressuring or recycling in accordance 22  
23 with a plan of development approved by the Commissioner and the Supervisor, or 23  
24 unavoidably lost, shall be deemed to be produced equally on the acreage basis from 24  
25 the several tracts of unitized land of the participating area established for such 25  
26 production and, for the purpose of determining any benefits accruing under this 26  
27 agreement, each such tract of unitized land shall have allocated to it such per- 27  
28 centage of said production as the number of acres of such tract included in said 28  
29 participating area bears to the total acres of unitized land in said participating 29  
30 area, except that allocation of production hereunder for purposes other than for 30  
31 settlement of the royalty, overriding royalty, and payment out of production 31  
32 obligations of the respective working interest owners, shall be on the basis pre- 32  
33 scribed in the unit operating agreement whether in conformity with the basis of 33  
34 allocation herein set forth or otherwise. It is hereby agreed that production of 34

1 unitized substances from a participating area shall be allocated as provided here- 1  
2 in regardless of whether any wells are drilled on any particular part or tract of 2  
3 said participating area. If any gas produced from one participating area is used 3  
4 for repressuring or recycling purposes in another participating area, the first 4  
5 gas withdrawn from such last-mentioned participating area for sale during the life 5  
6 of this agreement shall be considered to be the gas so transferred until an amount 6  
7 equal to that transferred shall be so produced for sale and such gas shall be 7  
8 allocated to the participating area from which initially produced as constituted 8  
9 at the time of such final production. 9

10 13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND OR FORMATIONS AND 10  
11 DRILLING OF WELLS NOT MUTUALLY AGREED UPON. 11

12 Any party or parties hereto owning or controlling the working interest 12  
13 in any unitized land having thereon a regular well location may with the approval 13  
14 of the Supervisor as to Federal land, or the Commission as to State land, at such 14  
15 party's sole risk, cost, and expense, drill a well to test any formation for 15  
16 which a participating area has not been established or to test any formation for 16  
17 which a participating area has been established if such location is not within 17  
18 said participating area, or drill any well not mutually agreed to by all interested 18  
19 parties, unless within 90 days of receipt of notice from said party of his inten- 19  
20 tion to drill the well the Unit Operator elects and commences to drill such well 20  
21 in like manner as other wells are drilled by the Unit Operator under this agreement. 21

22 If any well drilled as aforesaid by a working interest owner results in 22  
23 production such that the land upon which it is situated may properly be included 23  
24 in a participating area, such participating area shall be established or enlarged 24  
25 as provided in this agreement, and the party or parties paying the cost of drilling 25  
26 such well shall be reimbursed as provided in the unit operating agreement for the 26  
27 cost of drilling such well, and the well shall thereafter be operated by Unit Oper- 27  
28 ator in accordance with the terms of this agreement and the unit operating agree- 28  
29 ment. 29

30 If any well drilled as aforesaid by a working interest owner obtains 30  
31 production in quantities insufficient to justify the inclusion in a participating 31  
32 area of the land upon which such well is situated, such well may be operated and 32  
33 produced by the party drilling the same subject to the conservation requirements 33  
34 of this agreement. The royalties in amount or value of production from any such 34

1 well shall be paid as specified in the underlying lease and agreements affected. 1

2 14. ROYALTY SETTLEMENT. 2

3 The United States and the State of New Mexico and all royalty owners 3  
4 who, under existing contracts, are entitled to take in kind a share of the sub- 4  
5 stances now unitized hereunder produced from any tract, shall hereafter be en- 5  
6 titled to the right to take in kind their share of the unitized substance al- 6  
7 located to such tract, and Unit Operator, or in case of the operation of a well 7  
8 by a working interest owner as herein in special cases provided for, such working 8  
9 interest owner, shall make deliveries of such royalty share taken in kind in con- 9  
10 formity with the applicable contracts, laws, and regulations. Settlement for 10  
11 royalty interest not taken in kind shall be made by working interest owners 11  
12 responsible therefor under existing contracts, laws, and regulations on or before 12  
13 the last day of each month for unitized substances produced during the preceding 13  
14 calendar month; provided, however, that nothing herein contained shall operate 14  
15 to relieve the lessees of any land from their respective lease obligations for 15  
16 the payment of any royalties due under their lease. 16

17 If gas obtained from lands not subject to this agreement is introduced 17  
18 into any participating area hereunder, for use in repressuring, stimulation of 18  
19 production, or increasing ultimate recovery, which shall be in conformity with a 19  
20 plan first approved by the Commission, the Commissioner, and the Supervisor, a 20  
21 like amount of gas, after settlement as herein provided for any gas transferred from 21  
22 any other participating area and with due allowance for loss or depletion from any 22  
23 cause, may be withdrawn from the formation into which the gas was introduced, 23  
24 royalty free as to dry gas, but not as to the products extracted therefrom; pro- 24  
25 vided that such withdrawal shall be at such time as may be provided in the plan of 25  
26 operations or as may otherwise be consented to by the Commissioner and the Super- 26  
27 visor, as conforming to good petroleum engineering practice, and provided further, 27  
28 that such right of withdrawal shall terminate on the termination of this agreement. 28

29 Royalty due the United States shall be computed as provided in the 29  
30 operating regulations and paid in value or delivered in kind as to all unitized 30  
31 substances on the basis of the amounts thereof allocated to unitized Federal land 31  
32 as provided herein at the rates specified in the respective Federal leases, or at 32  
33 such lower rate or rates as may be authorized by law or regulations; provided, that 33  
34 for leases on which the royalty rate depends on the daily average production per 34

1 well, said average production shall be determined in accordance with the operating 1  
2 regulations as though each participating area were a single consolidated lease. 2

3 Royalty due on account of State of New Mexico lands shall be computed 3  
4 and paid on the basis of all unitized substances allocated to such lands. 4

5 15. RENTAL SETTLEMENT. 5

6 Rental or minimum royalties due on leases committed hereto shall be paid 6  
7 by working interest owners responsible therefor under existing contracts, laws, 7  
8 and regulations, provided that nothing herein contained shall operate to relieve 8  
9 the lessees of any land from their respective lease obligations for the payment 9  
10 of any rental or minimum royalty in lieu thereof due under their leases. Rental 10  
11 or minimum royalty for lands of the United States subject to this agreement shall 11  
12 be paid at the rate specified in the respective leases from the United States 12  
13 unless such rental or minimum royalty is waived, suspended, or reduced by law or 13  
14 by approval of the Secretary or his duly authorized representative. 14

15 Rentals on State of New Mexico lands subject to this agreement shall be 15  
16 paid at the rates specified in the respective leases. 16

17 With respect to any lease on non-Federal land containing provisions which 17  
18 would terminate such lease unless drilling operations were within the time therein 18  
19 specified commenced upon the land covered thereby or rentals paid for the privilege 19  
20 of deferring such drilling operations, the rentals required thereby shall, not- 20  
21 withstanding any other provision of this agreement, be deemed to accrue and become 21  
22 payable during the term thereof as extended by this agreement and until the required 22  
23 drilling operations are commenced upon the land covered thereby or some portion of 23  
24 such land is included within a participating area. 24

25 16. CONSERVATION. 25

26 Operations hereunder and production of unitized substances shall be con- 26  
27 ducted to provide for the most economical and efficient recovery of said substances 27  
28 without waste, as defined by or pursuant to State or Federal law or regulation. 28

29 17. DRAINAGE. 29

30 The Unit Operator shall take appropriate and adequate measures to pre- 30  
31 vent drainage of unitized substances from unitized land by wells on land not sub- 31  
32 ject to this agreement, or pursuant to applicable regulations pay a fair and rea- 32  
33 sonable compensatory royalty as determined by the Supervisor, with consent of the 33  
34 Commissioner. 34

1           18. LEASES AND CONTRACTS CONFORMED AND EXTENDED.           1

2           The terms, conditions, and provisions of all leases, subleases, and           2  
3 other contracts relating to exploration, drilling, development, or operation for           3  
4 oil and gas of lands committed to this agreement are hereby expressly modified           4  
5 and amended to the extent necessary to make the same conform to the provisions           5  
6 hereof, but otherwise to remain in full force and effect; and the parties hereto           6  
7 hereby consent that the Secretary as to Federal leases and the Commissioner as           7  
8 to State leases shall and each by his approval hereof, or by the approval hereof           8  
9 by his duly authorized representative, does hereby establish, alter, change, or           9  
10 revoke the drilling, producing, rental, minimum royalty, and royalty requirements           10  
11 of Federal and State leases committed hereto and the regulations in respect there-           11  
12 to to conform said requirements to the provisions of this agreement, and, without           12  
13 limiting the generality of the foregoing, all leases, subleases, and contracts           13  
14 are particularly modified in accordance with the following:           14

15           (a) The development and operation of lands subject to this agreement           15  
16 under the terms hereof shall be deemed full performance of all obligations for           16  
17 development and operation with respect to each and every part or separately-owned           17  
18 tract subject to this agreement, regardless of whether there is any development           18  
19 of any particular part or tract of the unit area, notwithstanding anything to the           19  
20 contrary in any lease, operating agreement or other contract by and between the           20  
21 parties hereto, or their respective predecessors in interest, or any of them.           21

22           (b) Drilling and producing operations performed hereunder upon any tract           22  
23 of unitized lands will be accepted and deemed to be performed upon and for the           23  
24 benefit of each and every tract of unitized land, and no lease shall be deemed to           24  
25 expire by reason of failure to drill or produce wells situated on the land therein           25  
26 embraced.           26

27           (c) Suspension of drilling or producing operations on all unitized lands           27  
28 pursuant to direction or consent of the Secretary and the Commissioner, or their           28  
29 duly authorized representatives, shall be deemed to constitute such suspension           29  
30 pursuant to such direction or consent as to each and every tract of unitized land.           30

31           (d) Each lease, sublease or contract relating to the exploration, drill-           31  
32 ing, development or operation for oil or gas of lands other than those of the           32  
33 United States committed to this agreement, which, by its terms might expire prior           33  
34 to the termination of this agreement, is hereby extended beyond any such term so           34

1 provided therein so that it shall be continued in full force and effect for and 1  
2 during the term of this agreement. 2

3 (e) Any Federal lease for a fixed term of twenty (20) years or any re- 3  
4 newal thereof or any part of such lease which is made subject to this agreement 4  
5 shall continue in force beyond the term provided therein until the termination 5  
6 hereof. Any other Federal lease committed hereto shall continue in force beyond 6  
7 the term so provided therein or by law as to the committed land so long as such 7  
8 lease remains subject hereto, provided, that production is had in paying quantities 8  
9 under this agreement prior to the expiration date of the term of such lease. 9

10 (f) Each sublease or contract relating to the operation and development 10  
11 of unitized substances from lands of the United States committed to this agreement, 11  
12 which by its terms would expire prior to the time at which the underlying lease, 12  
13 as extended by the immediately preceding paragraph, will expire, is hereby extended 13  
14 beyond any such term so provided therein so that it shall be continued in full 14  
15 force and effect for and during the term of the underlying lease as such term is 15  
16 herein extended. 16

17 (g) The segregation of any Federal lease committed to this agreement is 17  
18 governed by the following provision in the fourth paragraph of Sec. 17(b) of the 18  
19 Act of February 25, 1920, as amended by the Act of July 29, 1954, (68 Stat. 583, 19  
20 585): "Any (Federal) lease hereafter committed to any such (unit) plan embracing 20  
21 lands that are in part within and in part outside of the area covered by any such 21  
22 plan shall be segregated into separate leases as to the lands committed and the 22  
23 lands not committed as of the effective date of unitization; provided, however, 23  
24 that any such lease as to the nonunitized portion shall continue in force and 24  
25 effect for the term thereof but for not less than two years from the date of such 25  
26 segregation and so long thereafter as oil or gas is produced in paying quantities." 26

27 (h) Any lease embracing lands of the State of New Mexico having only a 27  
28 portion of its lands committed hereto shall be segregated as to the portion com- 28  
29 mitted and as to the portion not committed and the terms of such leases shall 29  
30 apply separately as to such segregated portions commencing as of the effective 30  
31 date hereof. Notwithstanding any of the provisions of this agreement to the 31  
32 contrary, any lease embracing lands of the State of New Mexico having only a portion 32  
33 of its lands committed hereto shall continue in full force and effect beyond the 33  
34 term provided therein as to all lands embraced in such lease, if oil and gas, or 34

1 either of them, are discovered and are capable of being produced in paying quan- 1  
2 tities from some part of the lands (either within or without the unit area) em- 2  
3 braced in such lease committed to this agreement before the expiration of the 3  
4 secondary term of such lease; or if, at the expiration of the secondary term, the 4  
5 lessee or the Unit Operator is then engaged in bona fide drilling or reworking 5  
6 operations on some part of the lands embraced therein, the same as to all lands 6  
7 embraced therein shall remain in full force and effect so long as such operations 7  
8 are being diligently prosecuted, and if they result in the production of oil or 8  
9 gas, said lease shall continue in full force and effect as to all of the lands 9  
10 embraced therein, so long thereafter as oil and gas, or either of them, are being 10  
11 produced in paying quantities from any portion of said lands. 11

12 19. COVENANTS RUN WITH LAND. 12

13 The covenants herein shall be construed to be covenants running with the 13  
14 land with respect to the interest of the parties hereto and their successors in 14  
15 interest until this agreement terminates, and any grant, transfer, or conveyance, 15  
16 of interest in land or leases subject hereto shall be and hereby is conditioned 16  
17 upon the assumption of all privileges and obligations hereunder by the grantee, 17  
18 transferee, or other successor in interest. No assignment or transfer of any work- 18  
19 ing interest, royalty, or other interest subject hereto shall be binding upon the 19  
20 Unit Operator until the first day of the calendar month after Unit Operator is 20  
21 furnished with the original, photostatic, or certified copy of the instrument of 21  
22 transfer. 22

23 20 EFFECTIVE DATE AND TERM. 23

24 This agreement shall become effective upon approval by the Commissioner 24  
25 and the Director, or their duly authorized representatives, as of the first day of 25  
26 the month following approval by the Director and shall terminate five (5) years 26  
27 from said effective date unless 27

28 (a) such date of expiration is extended by the Commissioner and the 28  
29 Director, or 29

30 (b) it is reasonably determined prior to the expiration of the fixed 30  
31 term or any extension thereof that the unitized land is incapable of production 31  
32 of substances in paying quantities in the formations tested hereunder and after 32  
33 notice of intention to terminate the agreement on such ground is given by the Unit 33  
34 Operator to all parties in interest at their last known addresses, the agreement 34

1 is terminated with the approval of the Commissioner and the Director, or 1

2 (c) a valuable discovery of unitized substances has been made on 2  
3 unitized land during said initial term or any extension thereof, in which event 3  
4 the agreement shall remain in effect for such term and so long as unitized sub- 4  
5 stances can be produced in paying quantities, i.e., in this particular instance 5  
6 in quantities sufficient to pay for the cost of producing same from wells on 6  
7 unitized land within any participating area established hereunder and, should 7  
8 production cease, so long thereafter as diligent operations are in progress for 8  
9 the restoration of production or discovery of new production and so long there- 9  
10 after as the unitized substances so discovered can be produced as aforesaid, or 10

11 (d) it is terminated as heretofore provided in this agreement. 11

12 This agreement may be terminated at any time by not less than 75 per- 12  
13 centum, on an acreage basis, of the owners of working interest signatory hereto, 13  
14 with the approval of the Commissioner and the Director; notice of any such 14  
15 approval to be given by the Unit Operator to all parties hereto. 15

16 21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. 16

17 All unit production and the disposal thereof shall be in conformity with 17  
18 allocations, allotments and quotas made or fixed by any duly authorized person or 18  
19 regulatory body under any Federal or State statute. The Director is hereby vested 19  
20 with authority to alter or modify from time to time, in his discretion, the rate 20  
21 of prospecting and development, and within the limits made or fixed by the Com- 21  
22 mission to alter or modify the quantity and rate of production under this agreement, 22  
23 such authority being hereby limited to alteration or modification in the public 23  
24 interest, the purpose thereof and the public interest to be served thereby to be 24  
25 stated in the order of alteration or modification; provided, further, that no 25  
26 such alteration or modification shall be effective as to any land of the State 26  
27 of New Mexico as to the rate of prospecting and development in the absence of 27  
28 the specific written approval thereof by the Commissioner and as to any lands of 28  
29 the State of New Mexico subject to this agreement as to the quantity and rate 29  
30 of production in the absence of specific written approval thereof by the Com- 30  
31 mission. 31

32 Powers in this section vested in the Director shall only be exercised 32  
33 after notice to Unit Operator and opportunity for hearing to be held not less than 33  
34 15 days from notice. 34





1 fully committed to this agreement and the operation thereof hereunder becomes im- 1  
2 practical as a result thereof, such tract shall be automatically regarded as not 2  
3 committed hereto and there shall be such readjustment of future costs and benefits 3  
4 as may be required on account of the loss of such title. In the event of a dis- 4  
5 pute as to title as to any royalty, working interest, or other interests subject 5  
6 thereto, payment or delivery on account thereof may be withheld without liability 6  
7 for interest until the dispute is finally settled; provided, that as to Federal 7  
8 land and State land or leases, no payments of funds due the United States or the 8  
9 State of New Mexico should be withheld, but such funds of the United States shall 9  
10 be deposited as directed by the Supervisor, and such funds of the State shall be 10  
11 deposited as directed by the Commissioner, to be held as unearned money pending 11  
12 final settlement of the title dispute, and then applied as earned or returned in 12  
13 accordance with such final settlement. 13

14 Unit Operator as such is relieved from any responsibility for any de- 14  
15 fect or failure of any title hereunder. 15

16 29. NON-JOINDER AND SUBSEQUENT JOINDER. 16

17 If the owner of any substantial interest in a tract within the unit 17  
18 area fails or refuses to subscribe or consent to this agreement, the owner of the 18  
19 working interest in that tract may withdraw said tract from this agreement by 19  
20 written notice to the Director, the Commissioner and the Unit Operator prior to 20  
21 the approval of this agreement by the Director. Any oil or gas interests in lands 21  
22 within the unit area not committed hereto prior to submission of this agreement 22  
23 for final approval may thereafter be committed hereto by the owner or owners there- 23  
24 of subscribing or consenting to this agreement, and, if the interest is a working 24  
25 interest, by the owner of such interest also subscribing to the unit operating 25  
26 agreement. After operations are commenced hereunder, the right of subsequent 26  
27 joinder, as provided in this section, by a working interest owner is subject to 27  
28 such requirements or approvals, if any, pertaining to such joinder, as may be 28  
29 provided for in the unit operating agreement. After final approval hereof, joinder 29  
30 by a non-working interest owner must be consented to in writing by the working 30  
31 interest owner committed hereto and responsible for the payment of any benefits 31  
32 that may accrue hereunder in behalf of such non-working interest. Joinder by any 32  
33 owner of a non-working interest, at any time, must be accompanied by appropriate 33  
34 joinder by the owner of the corresponding working interest in order for the interest 34

1 to be regarded as effectively committed hereto. Joinder to the unit agreement by 1  
2 a working interest owner, at any time, must be accompanied by appropriate joinder 2  
3 to the unit operating agreement, if more than one committed working interest owner 3  
4 is involved, in order for the interest to be regarded as effectively committed to 4  
5 this unit agreement. Except as may otherwise herein be provided, subsequent 5  
6 joinders to this agreement shall be effective as of the first day of the month 6  
7 following the filing with the Commissioner and the Supervisor of duly executed 7  
8 counterparts of all or any papers necessary to establish effective commitment of 8  
9 any tract to this agreement unless objection to such joinder is duly made within 9  
10 60 days by the Director or the Commissioner. 10

11 30. COUNTERPARTS. 11

12 This agreement may be executed in any number of counterparts no one of 12  
13 which needs to be executed by all parties or may be ratified or consented to by 13  
14 separate instrument in writing specifically referring hereto and shall be binding 14  
15 upon all those parties who have executed such a counterpart, ratification, or con- 15  
16 sent hereto with the same force and effect as if all such parties had signed the 16  
17 same document and regardless of whether or not it is executed by all other parties 17  
18 owning or claiming an interest in the lands within the above-described unit area. 18

19 31. TAXES. 19

20 The working interest owners shall render and pay for their account and 20  
21 the account of the royalty owners all valid taxes on or measured by the unitized 21  
22 substances in and under or that may be produced, gathered and sold from the land 22  
23 subject to this contract after the effective date of this agreement, or upon the 23  
24 proceeds or net proceeds derived therefrom. The working interest owners on each 24  
25 tract shall charge the proper proportion of said taxes to the royalty owners 25  
26 having interests in said tracts, and currently retain and deduct sufficient of 26  
27 the unitized substances or derivative products, or net proceeds thereof from the 27  
28 allocated share of each royalty owner to secure reimbursement for the taxes so 28  
29 paid. No such taxes shall be charged to the United States or the State of New 29  
30 Mexico or to any lessor who has a contract with his lessee which requires the 30  
31 lessee to pay such taxes. 31

32 32. NO PARTNERSHIP. 32

33 It is expressly agreed that the relation of the parties hereto is that 33  
34 of independent contractors and nothing in this agreement contained, expressed or 34

1 implied, nor any operations conducted hereunder, shall create or be deemed to have 1  
2 created a partnership or association between the parties hereto or any of them. 2

3 IN WITNESS WHEREOF, this unit agreement is executed by the undersigned 3  
4 parties hereto as of the dates set opposite their respective signatures. 4

UNIT OPERATOR AND WORKING INTEREST OWNER

EL PASO NATURAL GAS COMPANY

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

By \_\_\_\_\_  
Attorney-in-Fact

P. O. Box 1492  
El Paso, Texas

OTHER WORKING INTEREST OWNERS

DRILLING AND EXPLORATION COMPANY, INC.

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

By \_\_\_\_\_  
Vice President

ATTEST:

\_\_\_\_\_  
Assistant Secretary  
Exchange Bank Building  
P. O. Box 35366, Airlawn Station  
Dallas 35, Texas

PURE OIL COMPANY

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

By \_\_\_\_\_  
Attorney-in-Fact

ATTEST:

\_\_\_\_\_  
Assistant Secretary  
P. O. Box 239  
Houston 1, Texas

STATE OF )  
 )  
COUNTY OF ) ss.

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 19\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ President of \_\_\_\_\_, a \_\_\_\_\_ corporation, in behalf of said corporation.

My Commission Expires: \_\_\_\_\_

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

STATE OF )  
 )  
COUNTY OF ) ss.

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 19\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ President of \_\_\_\_\_, a \_\_\_\_\_ corporation, in behalf of said corporation.

My Commission Expires: \_\_\_\_\_

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

STATE OF )  
 )  
COUNTY OF ) ss.

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 19\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ President of \_\_\_\_\_, a \_\_\_\_\_ corporation, in behalf of said corporation.

My Commission Expires: \_\_\_\_\_

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

STATE OF )  
 )  
COUNTY OF ) ss.

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 19\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ Attorney-in-Fact of \_\_\_\_\_, a \_\_\_\_\_ corporation in behalf of said corporation.

My Commission Expires: \_\_\_\_\_

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

**ILLEGIBLE**

EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - IEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND</u>							
<u>T. 19 S., R. 34 E.</u>							
1	Sec. 34: N $\frac{1}{2}$ , N $\frac{1}{2}$ S $\frac{1}{2}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35: All	1240.00	NM 052 2-1-50 Ext. to 12-31-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc. W. A. Moncrief Frances W. Hyde Frances W. Hyde and The First National Bank of Fort Worth, Co-Trustees under Will of Clarence E. Hyde, Deceased	Dorothy B. Sanford and Charles G. Sanford Olen F. Featherstone Rubie Crosby Bell Elizabeth W. Chaney	Drilling and Exploration Company, Inc. W. A. Moncrief Frances W. Hyde Frances W. Hyde and The First National Bank of Fort Worth, Co-Trustees Under Will of Clarence E. Hyde, Deceased
					1/2 1/4 1/8	0.2500% 1.1250% 0.5625% 0.5625% 2.5000%	1/2 1/4 1/8
2	Sec. 34: SE $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	NM 052-A 2-1-50 Ext. to 12-31-61	U.S.A. 12 $\frac{1}{2}$ % All	Chas. C. Bankhead, Jr.	Dorothy B. Sanford and Charles G. Sanford Olen F. Featherstone Rubie Crosby Bell Elizabeth W. Chaney	Chas. C. Bankhead, Jr.
						0.2500% 1.1250% 0.5625% 0.5625% 2.5000%	All
3	Sec. 21: W $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$	120.00	NM 02391 10-1-50 Ext. to 8-1-62	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	None	Drilling and Exploration Company, Inc.
							All

December 1, 1960

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
4	Sec. 21: NE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00	NM 02391-A 10-1-50 Ext. to 8-1-62	U.S.A. 12 $\frac{1}{2}$ % All	Chas. C. Bankhead, Jr.	None	Chas. C. Bankhead, Jr. All
5	Sec. 28: E $\frac{1}{2}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$	440.00	NM 02990 2-1-51 Ext. to 1-1-63	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	Drilling and Exploration Company, Inc. All
6	Sec. 28: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	NM 02990-A 2-1-51 Ext. to 1-1-63	U.S.A. 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company Western Natural Gas Company	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	El Paso Natural Gas Company Western Natural Gas Company 1/2
7	Sec. 26: E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 27: S $\frac{1}{2}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$	480.00	NM 04452 5-1-51 Ext. to 5-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	Drilling and Exploration Company, Inc. All
8	Sec. 22: S $\frac{1}{2}$ Sec. 23: S $\frac{1}{2}$ Sec. 26: N $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ Sec. 27: NE $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 33: N $\frac{1}{2}$	1440.00	NM 05083 6-1-51 Ext. to 6-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	Drilling and Exploration Company, Inc. All

December 1, 1960

EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - LEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
9	Sec. 26: SE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$	320.00	NM 05519 9-1-51 Ext. to 9-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	George H. Hannum Bonnie H. Morrison Stanley W. Crosby	1.00% 1.00% 3.00%
10	Sec. 21: E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 28: NW $\frac{1}{4}$ Sec. 30: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$ (All)	1281.80	NM 056376 7-1-60 5 years	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	Albuquerque National Bank, Testamentary Trustee of F. A. Andrews, Deceased Selma E. Andrews Marshall & Winston, Inc. Wm. S. Bailey, Jr. Hattie C. Evans Nell Welch Gillespie Van P. Welch, Jr. Marjorie Nell Welch Hikey Robert Hill Welch	1.87500% 0.37500% 0.37500% 0.37500% 0.37500% 3.87500%
							Drilling and Exploration Company, Inc. All

December 1, 1960

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
11	Sec. 19: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$ (All) Sec. 20: E $\frac{1}{2}$ , SW $\frac{1}{4}$	1119.28	NM 0141013 9-1-50 Ext. to 11-1-62	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	Julia Brainard	3.00% Drilling and Exploration Company, Inc. All
12	Sec. 29: N $\frac{1}{2}$ , N $\frac{1}{2}$ S $\frac{1}{2}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$	600.00	LC 068037 7-1-49 Ext. to 6-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	Albuquerque National Bank, Trustametary Trustee of F. A. Andrews, Deceased Selma E. Andrews Marshall & Winston, Inc. Wm. S. Bailey, Jr. Hattie C. Evans Nell Welch Gillespie Van P. Welch, Jr. Marjorie Nell Welch Hlkey Robert Hill Welch	0.25000% 0.25000% 0.12500% 1.87500% 0.37500% 0.37500% 0.37500% 0.37500% <u>3.87500%</u>

December 1, 1960

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>FEDERAL LAND (Continued)</u>							
<u>T. 19 S., R. 34 E.</u>							
13	Sec. 29: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	LC 068037-A 7-1-49 Ext. to 6-1-61	U.S.A. 12 $\frac{1}{2}$ % All	Chas. C. Bankhead, Jr.	Albuquerque National Bank, Restamentary Trustee of F. A. Andrews, Deceased Selma E. Andrews Marshall & Winston, Inc. Wm. S. Bailey, Jr. Hattie C. Evans Nell Welch Gillespie Van P. Welch, Jr. Marjorie Nell Welch Hikey Robert Hill Welch	Chas. C. Bankhead, Jr. All 0.11574% 0.13426% 0.25000% 0.25000% 0.12500% 1.87500% 0.37500% 0.37500% 0.37500% 0.37500% 3.87500%

TOTAL FEDERAL LANDS - 7,201.08 Acres

December 1, 1960

EXHIBIT "B" - MESCALERO RIDGE UNIT AREA - IEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. and Lease Date	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage of Interest
<u>STATE LAND</u>							
<u>T. 19 S., R. 34 E.</u>							
14	Sec. 32: NE $\frac{1}{4}$	160.00	E 6284 6-10-52 10 years	State N.M. 12 $\frac{1}{2}$ % All	Pure Oil Company	None	Pure Oil Company All
15	Sec. 20: NW $\frac{1}{4}$	160.00	E 10002 4-17-56 10 years	State N.M. 12 $\frac{1}{2}$ % All	Drilling and Exploration Company, Inc.	None	Drilling and Exploration Company, Inc. All

TOTAL STATE LANDS - 320.00 Acres

R E C A P I T U L A T I O N

<u>LAND</u>	<u>ACREAGE</u>	<u>PERCENTAGE</u>
Federal	7,201.08	95.75%
State	<u>320.00</u>	<u>4.25%</u>
Totals	7,521.08	100.00%

**FOSTER MORRELL**

**PETROLEUM CONSULTANT  
NICKSON HOTEL BUILDING  
ROSWELL, NEW MEXICO**

August 18, 1961

MAIN OFFICE 300  
1961 AUG 21 AM 11 22

*Case # 2179*

Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: Mescalero Ridge Unit  
Lea County, New Mexico

Dear Mr. Porter:

Forwarded herewith for your files is a conformed copy of the Mescalero Ridge Unit Agreement together with a conformed copy of the Amendment dated May 5, 1961, together with approval letters making the effective date of the unit agreement May 2, 1961.

Very truly yours,

*Foster Morrell*  
Foster Morrell

FM/rpd

Enclosures

cc: Mr. Sam Smith  
cc: Mr. Jack E. Hughes



*A*  
*DB*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
WASHINGTON 25, D. C.

MAY 23 1961

El Paso Natural Gas Company  
Post Office Box 1492  
El Paso, Texas



Gentlemen:

On May 22, 1961, Arthur A. Baker, Acting Director of the Geological Survey, approved an amendment to the ~~Macaluso~~ Ridge unit agreement, Lea County, New Mexico, No. 14-08-0001-7465, changing section 20 so that the unit agreement will be effective as of the date of approval by the Director or May 2, 1961.

Enclosed are two copies of the approved amendment for your records. It is requested that you furnish the State of New Mexico and any other interested principal with whatever evidence of this approval is deemed appropriate.

Very truly yours,

For the Director

Enclosures 2

# State of New Mexico



## Commissioner of Public Lands

E. S. JOHNNY WALKER  
COMMISSIONER



May 12, 1961

P. O. BOX 791  
SANTA FE, NEW MEXICO

Mr. Foster Morrell  
Petroleum Consultant  
P. O. Box 933  
Roswell, New Mexico

Re: AMENDMENT TO  
MESCALERO RIDGE UNIT  
LEA COUNTY, NEW MEXICO

Gentlemen:

The Commissioner of Public Lands has of this date approved the Amendment to the Mescalero Ridge Unit Agreement.

We are handing Mr. Charles T. Richardson, Jr. nine copies of the amendment to the captioned unit, subject to like approval by the United States Geological Survey.

Very truly yours,

E. S. Johnny Walker  
Commissioner of Public Lands

ESW/mmr/s  
cc:

US Geological Survey  
Roswell, New Mexico

Oil Conservation Commission  
Santa Fe, New Mexico

May 5, 1961  
AMENDMENT TO UNIT AGREEMENT  
FOR DEVELOPMENT AND OPERATION  
OF MESCALERO RIDGE UNIT AREA  
STATE OF NEW MEXICO

No. 14-08-0001-7465

APPROVED as of the 12th day of May, 1961.

By E. J. Walker  
Commissioner of Public Lands  
State of New Mexico

APPROVED as of the 22nd day of May, 1961.

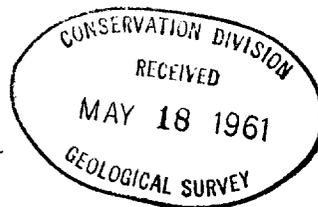
By Thomas R. Baker  
Acting Director  
United States Geological Survey

CONFORMED COPY

AMENDMENT TO UNIT AGREEMENT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE MESCALERO RIDGE UNIT AREA

STATE OF NEW MEXICO

No. \_\_\_\_\_



RECEIVED  
MAY 18 1961

U. S. GEOLOGICAL SURVEY  
RESWELL, NEW MEXICO

THIS AGREEMENT, entered into as of the 5th day of May, 1961, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto,"

W I T N E S S E T H:

WHEREAS, the parties hereto, as of the 1st day of December, 1960, properly entered into a Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico; and

WHEREAS, the Commissioner of Public Lands, State of New Mexico, by Certificate of Approval dated March 6, 1961, approved the Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico; and

WHEREAS, the United States Geological Survey approved, on May 2, 1961, the Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico; and

WHEREAS, the parties hereto are the owners of working interest, record title, royalty interests, or other oil and gas interests in the unit area subject to this agreement.

NOW, THEREFORE, in consideration of the premises and promises contained in the afore-described Mescalero Ridge Unit Agreement, the parties hereto agree severally among themselves that the said Mescalero Ridge Unit Agreement shall be amended as follows:

That the first four (4) lines, namely, lines 24, 25, 26, and 27 of Section 20 on page 17 shall be deleted and the following shall be substituted therefor:

"This Agreement shall become effective upon approval by the Commissioner and the Director, or their duly authorized representatives as of the date of approval by the Director, and shall terminate five (5) years from said effective date unless..."

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 instrument in writing specifically referring hereto and shall be binding upon all those parties who 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 and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described unit area.

The Unit Agreement for the Development and Operation of the Mescalero Ridge Unit Area, County of Lea, State of New Mexico, dated the 1st day of December, 1960, shall remain in all things in full force and effect except as same has been amended hereby.

IN WITNESS WHEREOF, this Agreement is executed by the undersigned parties hereto as of the dates set opposite their respective signatures.

UNIT OPERATOR AND WORKING INTEREST OWNER

Date: May 11, 1961  
P. O. Box 1492  
El Paso, Texas

EL PASO NATURAL GAS COMPANY

By [Signature]  
Attorney-in-Fact

OTHER WORKING INTEREST OWNERS

Date: May 8, 1961

DRILLING AND EXPLORATION COMPANY, INC.

ATTEST: [Signature]  
Asst. Secretary  
Exchange Bank Building  
P. O. Box 35366, Airlawn Station  
Dallas 35, Texas

By [Signature]  
Vice President

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

WESTERN NATURAL GAS COMPANY

ATTEST: \_\_\_\_\_

By \_\_\_\_\_

P. O. Box 1508  
Houston 1, Texas

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

CHAS. C. BANKHEAD, JR.

3107 Southland Center  
Dallas 1, Texas

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

W. A. MONCRIEFF

Petroleum Building  
Ninth at Commerce  
Fort Worth, Texas

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UNIT OPERATOR AND WORKING INTEREST OWNER

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

EL PASO NATURAL GAS COMPANY

P. O. Box 1492  
El Paso, Texas

By \_\_\_\_\_  
Attorney-in-Fact

OTHER WORKING INTEREST OWNERS

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

DRILLING AND EXPLORATION COMPANY, INC.

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_  
Vice President

Exchange Bank Building  
P. O. Box 35366, Airlawn Station  
Dallas 35, Texas

Date:           MAY 8 1961          

WESTERN NATURAL GAS COMPANY

ATTEST:

          O. H. Brandenburg            
Assistant Secretary  
P. O. Box 1508  
Houston 1, Texas

By           [Signature]            
VICE PRESIDENT

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

\_\_\_\_\_  
CHAS. C. BANKHEAD, JR.

3107 Southland Center  
Dallas 1, Texas

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

\_\_\_\_\_  
W. A. MONCRIEF

Petroleum Building  
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Date: \_\_\_\_\_

EL PASO NATURAL GAS COMPANY

P. O. Box 1492  
El Paso, Texas

By \_\_\_\_\_  
Attorney-in-Fact

OTHER WORKING INTEREST OWNERS

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

DRILLING AND EXPLORATION COMPANY, INC.

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_  
Vice President

Exchange Bank Building  
P. O. Box 35366, Airlawn Station  
Dallas 35, Texas

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

WESTERN NATURAL GAS COMPANY

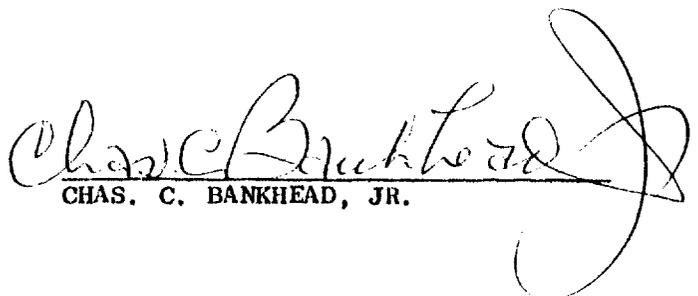
ATTEST:

\_\_\_\_\_

By \_\_\_\_\_

P. O. Box 1508  
Houston 1, Texas

Date: 5/8/61

  
CHAS. C. BANKHEAD, JR.

3107 Southland Center  
Dallas 1, Texas

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

\_\_\_\_\_  
W. A. MONCRIEF

Petroleum Building  
Ninth at Commerce  
Fort Worth, Texas

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El Paso, Texas

By \_\_\_\_\_  
Attorney-in-Fact

OTHER WORKING INTEREST OWNERS

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

DRILLING AND EXPLORATION COMPANY, INC.

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_  
Vice President

Exchange Bank Building  
P. O. Box 35366, Airlawn Station  
Dallas 35, Texas

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

WESTERN NATURAL GAS COMPANY

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_

P. O. Box 1508  
Houston 1, Texas

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

\_\_\_\_\_  
CHAS. C. BANKHEAD, JR.

3107 Southland Center  
Dallas 1, Texas

Date: May 8, 1961

[Signature]  
W. A. MONCRIEF

Petroleum Building  
Ninth at Commerce  
Fort Worth, Texas

Date: May 8, 1961  
2107 Spanish Trail  
Fort Worth 7, Texas

Frances W. Hyde  
FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

ATTEST:  
\_\_\_\_\_

By \_\_\_\_\_, Trust Officer

First National Bank of Fort Worth  
Fort Worth, Texas

ROYALTY OWNERS:

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

CHARLES G. SANFORD

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

DOROTHY B. SANFORD

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

JULIA BRAINARD

P. O. Box 368  
Artesia, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

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

ATTEST:  
\_\_\_\_\_

By \_\_\_\_\_ Trustee

Albuquerque, New Mexico

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

MRS. SELMA E. ANDREWS

P. O. Box 40  
Palm Springs, California

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

WILLIAM S. BAILEY, JR.

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

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

MRS. HATTIE C. EVANS

1716 North "B" Street  
Willington, Kansas

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

MRS. NELL WELCH GILLESPIE

1386 Casiono Road  
Los Angeles 49, California

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

VAN P. WELCH, JR.

1904 Meadowbrook  
Austin 1, Texas

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

MRS. MARJORIE NELL WELCH HICKEY

2815 Thorndike  
Pasadena, California

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

Date: 5-10-61

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

ATTEST:

J. J. Jannan  
ASSISTANT CASHIER  
First National Bank of Fort Worth  
Fort Worth, Texas

By J. J. Jannan, Trust Officer

ROYALTY OWNERS:

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

CHARLES G. SANFORD

DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

JULIA BRAINARD

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

ATTEST:

\_\_\_\_\_

Albuquerque, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_  
Trustee

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

P. O. Box 40  
Palm Springs, California

MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

ATTEST:

By \_\_\_\_\_, Trust Officer

First National Bank of Fort Worth  
Fort Worth, Texas

Date: May 16, 1961

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

Charles G. Sanford  
CHARLES G. SANFORD

Dorothy B. Sanford  
DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

\_\_\_\_\_  
JULIA BRAINARD

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

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

ATTEST:

By \_\_\_\_\_ Trustee

Albuquerque, New Mexico

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

P. O. Box 40  
Palm Springs, California

\_\_\_\_\_  
MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

\_\_\_\_\_  
WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

\_\_\_\_\_  
MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

\_\_\_\_\_  
MRS. NEIL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

\_\_\_\_\_  
VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

\_\_\_\_\_  
MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

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

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

Date: June 9, 1961

P. O. Box 368  
Artesia, New Mexico

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

ATTEST:

\_\_\_\_\_

Albuquerque, New Mexico

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

P. O. Box 40  
Palm Springs, California

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

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

1716 North "B" Street  
Willington, Kansas

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

1386 Casiono Road  
Los Angeles 49, California

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

1904 Meadowbrook  
Austin 1, Texas

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

2815 Thorndike  
Pasadena, California

\_\_\_\_\_  
FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_, Trust Officer

\_\_\_\_\_  
CHARLES G. SANFORD

\_\_\_\_\_  
DOROTHY B. SANFORD

Julia Brainard  
\_\_\_\_\_  
JULIA BRAINARD, Individually and as Executrix  
of the Estate of Fred Brainard, Deceased.

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_ Trustee

\_\_\_\_\_  
MRS. SELMA E. ANDREWS

\_\_\_\_\_  
WILLIAM S. BAILEY, JR.

\_\_\_\_\_  
MRS. HATTIE C. EVANS

\_\_\_\_\_  
MRS. NELL WELCH GILLESPIE

\_\_\_\_\_  
VAN P. WELCH, JR.

\_\_\_\_\_  
MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_, Trust Officer

ROYALTY OWNERS:

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

\_\_\_\_\_  
CHARLES G. SANFORD

\_\_\_\_\_  
DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

\_\_\_\_\_  
JULIA BRAINARD

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

ATTEST:

  
Asst. Cashier

Albuquerque, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_ Trust Officer  
Trustee

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

P. O. Box 40  
Palm Springs, California

\_\_\_\_\_  
MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

\_\_\_\_\_  
WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

\_\_\_\_\_  
MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

\_\_\_\_\_  
MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

\_\_\_\_\_  
VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

\_\_\_\_\_  
MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

ATTEST:

By \_\_\_\_\_, Trust Officer

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

\_\_\_\_\_  
CHARLES G. SANFORD

\_\_\_\_\_  
DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

\_\_\_\_\_  
JULIA BRAINARD

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

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

ATTEST:

By \_\_\_\_\_  
Trustee

Albuquerque, New Mexico

Date: 6-14-61

P. O. Box 40  
Palm Springs, California

*Mrs Selma E. Andrews*  
\_\_\_\_\_  
MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

\_\_\_\_\_  
WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

\_\_\_\_\_  
MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

\_\_\_\_\_  
MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

\_\_\_\_\_  
VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

\_\_\_\_\_  
MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_  
\_\_\_\_\_, Trust Officer

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

\_\_\_\_\_  
CHARLES G. SANFORD

\_\_\_\_\_  
DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

\_\_\_\_\_  
JULIA BRAINARD

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

ATTEST:

\_\_\_\_\_

Albuquerque, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_  
Trustee

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

P. O. Box 40  
Palm Springs, California

\_\_\_\_\_  
MRS. SELMA E. ANDREWS

Date: May 11th, 1961

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

William S. Bailey, Jr.  
WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

\_\_\_\_\_  
MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

\_\_\_\_\_  
MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

\_\_\_\_\_  
VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

\_\_\_\_\_  
MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_, Trust Officer

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

\_\_\_\_\_  
CHARLES G. SANFORD

\_\_\_\_\_  
DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

\_\_\_\_\_  
JULIA BRAINARD

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

ATTEST:

\_\_\_\_\_  
Albuquerque, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_ Trustee

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

P. O. Box 40  
Palm Springs, California

\_\_\_\_\_  
MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

\_\_\_\_\_  
WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

*Mrs. Hattie C. Evans*  
\_\_\_\_\_  
MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

\_\_\_\_\_  
MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

\_\_\_\_\_  
VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

\_\_\_\_\_  
MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_,  
Trust Officer

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

CHARLES G. SANFORD

DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

JULIA BRAINARD

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

ATTEST:

\_\_\_\_\_  
Albuquerque, New Mexico

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TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_  
Trustee

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

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Palm Springs, California

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

MRS. HATTIE C. EVANS

Date: May 8, 1961

1386 Casiono Road  
Los Angeles 49, California

Mrs. Nell Welch Gillespie  
MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

VAN P. WELCH, JR.

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

2815 Thorndike  
Pasadena, California

MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

ATTEST:

\_\_\_\_\_  
First National Bank of Fort Worth  
Fort Worth, Texas

By \_\_\_\_\_,  
Trust Officer

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

CHARLES G. SANFORD

DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

JULIA BRAINARD

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

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

ATTEST:

\_\_\_\_\_

By \_\_\_\_\_  
Trustee

Albuquerque, New Mexico

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

P. O. Box 40  
Palm Springs, California

MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

MRS. NELL WELCH GILLESPIE

Date: 11 MAY 61

1904 Meadowbrook  
Austin 1, Texas

Van P. Welch  
VAN P. WELCH, JR.  
11636 Montano Ave. #10, R.A. 49 Calif.

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

2815 Thorndike  
Pasadena, California

MRS. MARJORIE NELL WELCH HICKEY

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

2107 Spanish Trail  
Fort Worth 7, Texas

FRANCES W. HYDE, Individually and as  
Co-Trustee under the Will of Clarence  
E. Hyde, Deceased

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

ATTEST:

\_\_\_\_\_

First National Bank of Fort Worth  
Fort Worth, Texas

THE FIRST NATIONAL BANK OF FORT WORTH,  
CO-TRUSTEE UNDER THE WILL OF CLARENCE  
E. HYDE, DECEASED

By \_\_\_\_\_, Trust Officer

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

c/o Sanford Sales & Service Co.  
P. O. Box 6745  
Odessa, Texas

CHARLES G. SANFORD

DOROTHY B. SANFORD

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

P. O. Box 368  
Artesia, New Mexico

JULIA BRAINARD

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

ATTEST:

\_\_\_\_\_

Albuquerque, New Mexico

ALBUQUERQUE NATIONAL BANK, TESTAMENTARY  
TRUSTEE OF F. A. ANDREWS, DECEASED

By \_\_\_\_\_ Trustee

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

P. O. Box 40  
Palm Springs, California

MRS. SELMA E. ANDREWS

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

3229-A South Harvard Avenue  
Tulsa 35, Oklahoma

WILLIAM S. BAILEY, JR.

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

1716 North "B" Street  
Willington, Kansas

MRS. HATTIE C. EVANS

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

1386 Casiono Road  
Los Angeles 49, California

MRS. NELL WELCH GILLESPIE

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

1904 Meadowbrook  
Austin 1, Texas

VAN P. WELCH, JR.

Date: May 11, 1961

2815 Thorndike  
Pasadena, California

Mrs. Marjorie Nell Welch Hickey  
MRS. MARJORIE NELL WELCH HICKEY

James A. [Signature]

Date: May 19, 1961

1386 Casiono Road  
Los Angeles 49, California

Robert H. Welch  
ROBERT H. WELCH

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

248 South Parkwood Lane  
Sichita 18, Kansas

\_\_\_\_\_  
GEORGE H. HANNUM

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

\_\_\_\_\_  
ELIZABETH W. CHANEY

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

\_\_\_\_\_  
OLEN F. FEATHERSTONE

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

\_\_\_\_\_  
RUBIE CROSBY BELL

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

\_\_\_\_\_  
BONNIE H. MORRISON

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

\_\_\_\_\_  
MARSHALL & WINSTON, INC.

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

ATTEST: \_\_\_\_\_

By \_\_\_\_\_

STATE OF TEXAS            |

COUNTY OF EL PASO       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

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

STATE OF                   |

COUNTY OF                 |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of  
DRILLING AND EXPLORATION COMPANY, INC., a \_\_\_\_\_ corporation, on  
behalf of said corporation.

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

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

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

1386 Casiono Road  
Los Angeles 49, California

ROBERT H. WELCH

Date: May 5, 1961

248 South Parkwood Lane  
Sichita 18, Kansas

George H. Hannum  
GEORGE H. HANNUM

Susan T. Hannum

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

ELIZABETH W. CHANEY

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

OLEN F. FEATHERSTONE

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

RUBIE CROSBY BELL

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

BONNIE H. MORRISON

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

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

MARSHALL & WINSTON, INC.

ATTEST:

By \_\_\_\_\_

STATE OF TEXAS

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day  
of May, 1961, by Sam Smith, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

ELOISE BUSSE  
Notary Public in and for El Paso County, Texas  
My Commission Expires June 1, 1961

Eloise Busse  
Notary Public

STATE OF

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_ of  
DRILLING AND EXPLORATION COMPANY, INC., a \_\_\_\_\_ corporation, on  
behalf of said corporation.

My Commission expires:

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

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

1386 Casiono Road  
Los Angeles 49, California

ROBERT H. WELCH

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

248 South Parkwood Lane  
Wichita 18, Kansas

GEORGE H. HANNUM

Date: May 10, 1961

P. O. Box 285  
Roswell, New Mexico

Elizabeth W. Chaney  
ELIZABETH W. CHANEY

Date: May 10, 1961

Roswell Petroleum Building  
Roswell, New Mexico

Olen F. Featherstone  
OLEN F. FEATHERSTONE

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

4455 St. Roch Ave.  
New Orleans 22, Louisiana

RUBIE CROSBY BELL

Date: May 10, 1961

3 Park Road  
Roswell, New Mexico

Bonnie H. Morrison  
BONNIE H. MORRISON

Date: May 9, 1961

200 E. Deming  
Roswell, New Mexico

Ruby S. Crosby  
RUBY S. CROSBY, Individually and as Executrix  
of the Last Will and Testament of Stanley W.  
Crosby, Deceased

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

MARSHALL & WINSTON, INC.

ATTEST:

\_\_\_\_\_, Secretary

By \_\_\_\_\_  
President

1054 Broxton Avenue  
Los Angeles 24, California

STATE OF TEXAS

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

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

STATE OF

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of  
DRILLING AND EXPLORATION COMPANY, INC., a \_\_\_\_\_ corporation, on  
behalf of said corporation.

My Commission expires:

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

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

1386 Casiono Road  
Los Angeles 49, California

ROBERT H. WELCH

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

248 South Parkwood Lane  
Sichita 18, Kansas

GEORGE H. HANNUM

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

ELIZABETH W. CHANEY

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

OLEN F. FEATHERSTONE

Date: May 9, 1961

*Rubie Crosby Bell*

RUBIE CROSBY BELL, a married woman dealing  
herein in her sole and separate estate.

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

BONNIE H. MORRISON

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

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

MARSHALL & WINSTON, INC.

ATTEST:

By \_\_\_\_\_

STATE OF TEXAS

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COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

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

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of  
DRILLING AND EXPLORATION COMPANY, INC., a \_\_\_\_\_ corporation, on  
behalf of said corporation.

My Commission expires:

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

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

1386 Casiono Road  
Los Angeles 49, California

ROBERT H. WELCH

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

248 South Parkwood Lane  
Sichita 18, Kansas

GEORGE H. HANNUM

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

ELIZABETH W. CHANEY

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

OLEN F. FEATHERSTONE

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

RUBIE CROSBY BELL

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

BONNIE H. MORRISON

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

Date: May 10, 1961

MARSHALL & WINSTON, INC.

ATTEST:

Arnold Winston, Secretary  
1054 Broxton Avenue  
Los Angeles 24, California

By Samuel H. Marshall  
President

STATE OF TEXAS                    |

COUNTY OF EL PASO               |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

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

STATE OF                            |

COUNTY OF                         |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of  
DRILLING AND EXPLORATION COMPANY, INC., a \_\_\_\_\_ corporation, on  
behalf of said corporation.

My Commission expires:

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

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

1386 Casiono Road  
Los Angeles 49, California

ROBERT H. WELCH

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

248 South Parkwood Lane  
Sichita 18, Kansas

GEORGE H. HANNUM

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

ELIZABETH W. CHANEY

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

OLEN F. FEATHERSTONE

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

RUBIE CROSBY BELL

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

BONNIE H. MORRISON

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

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

MARSHALL & WINSTON, INC.

ATTEST:

By \_\_\_\_\_

STATE OF TEXAS

||  
||  
||

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 1961, by \_\_\_\_\_, as Attorney-in-Fact of  
EL PASO NATURAL GAS COMPANY.

Notary Public

STATE OF TEXAS

||  
||  
||

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 8th day  
of May, 1961, by G. R. BRAINARD, JR., Vice President of  
DRILLING AND EXPLORATION COMPANY, INC., a Delaware corporation, on  
behalf of said corporation.

My Commission expires:

June 1, 1961

*Bernice Ewing*  
Notary Public

BERNICE EWING

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

STATE OF Texas            |  
  |  
COUNTY OF Harris           |

The foregoing instrument was acknowledged before me this 8th day of MAY, 1961, by W. K. DAVIS, VICE PRESIDENT of WESTERN NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission expires:  
OLIVE V. HARRISS  
Notary Public in and for Harris County, Texas  
My Commission Expires June 1, 1961

Olive V. Harriss  
Notary Public in and for Harris  
County, State of Texas

STATE OF                        |  
  |  
COUNTY OF                    |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trust Officer, THE FIRST NATIONAL BANK OF FORT WORTH, CO-TRUSTEE UNDER THE WILL OF CLARENCE C. HYDE, DECEASED, on behalf of said bank.

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                        |  
  |  
COUNTY OF                    |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trustee, ALBUQUERQUE NATIONAL BANK, TESTAMENTARY TRUSTEE OF F. A. ANDREWS, DECEASED, on behalf of said bank.

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                        |  
  |  
COUNTY OF                    |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of MARSHALL & WINSTON, INC., a \_\_\_\_\_ corporation, on behalf of said corporation.

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                        |  
  |  
COUNTY OF                    |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by FRANCES W. HYDE, Individually and as Co-Trustee under the Will of Clarence E. Hyde, Deceased.

My Commission Expires:  
\_\_\_\_\_

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, of WESTERN NATURAL GAS COMPANY, a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF TEXAS  
COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this 10th day of May, 1961, by J. H. Brooks, Trust Officer, THE FIRST NATIONAL BANK OF FORT WORTH, CO-TRUSTEE UNDER THE WILL OF CLARENCE E. HYDE, DECEASED, on behalf of said bank.

My Commission expires: June 1, 1961  
*Marjorie Findley* Marjorie Findley  
Notary Public in and for Tarrant  
County, State of Texas

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trustee, ALBUQUERQUE NATIONAL BANK, TESTAMENTARY TRUSTEE OF F. A. ANDREWS, DECEASED, on behalf of said bank.

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, of MARSHALL & WINSTON, INC., a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by FRANCES W. HYDE, Individually and as Co-Trustee under the Will of Clarence E. Hyde, Deceased.

My Commission Expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, of WESTERN NATURAL GAS COMPANY, a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trust Officer, THE FIRST NATIONAL BANK OF FORT WORTH, CO-TRUSTEE UNDER THE WILL OF CLARENCE C. HYDE, DECEASED, on behalf of said bank.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF New Mexico

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COUNTY OF Bernalillo

The foregoing instrument was acknowledged before me this 8 day of May, 1961, by Ralph E. Becker, Trust Officer, ALBUQUERQUE NATIONAL BANK, TESTAMENTARY TRUSTEE OF F. A. ANDREWS, DECEASED, on behalf of said bank.

My Commission expires:

March 18, 1963

Ralph E. Becker  
Notary Public in and for Bernalillo  
County, State of New Mexico

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, of MARSHALL & WINSTON, INC., a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by FRANCES W. HYDE, Individually and as Co-Trustee under the Will of Clarence E. Hyde, Deceased.

My Commission Expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, \_\_\_\_\_ of WESTERN NATURAL GAS COMPANY, a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trust Officer, THE FIRST NATIONAL BANK OF FORT WORTH, CO-TRUSTEE UNDER THE WILL OF CLARENCE C. HYDE, DECEASED, on behalf of said bank.

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trustee, ALBUQUERQUE NATIONAL BANK, TESTAMENTARY TRUSTEE OF F. A. ANDREWS, DECEASED, on behalf of said bank.

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF NEW MEXICO  
COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 8th day of May, 1961, by Sam'l H. Marshall, President of MARSHALL & WINSTON, INC., a Nevada corporation, on behalf of said corporation.

My Commission expires: 3-16-65  
Notary Public in and for Chaves  
County, State of New Mexico

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by FRANCES W. HYDE, Individually and as Co-Trustee under the Will of Clarence E. Hyde, Deceased.

My Commission Expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, of WESTERN NATURAL GAS COMPANY, a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||  
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COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trust Officer, THE FIRST NATIONAL BANK OF FORT WORTH, CO-TRUSTEE UNDER THE WILL OF CLARENCE C. HYDE, DECEASED, on behalf of said bank.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, Trustee, ALBUQUERQUE NATIONAL BANK, TESTAMENTARY TRUSTEE OF F. A. ANDREWS, DECEASED, on behalf of said bank.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_, of MARSHALL & WINSTON, INC., a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF *Texas*

||  
||  
||

COUNTY OF *Tarrant*

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of May, 1961, by FRANCES W. HYDE, Individually and as Co-Trustee under the Will of Clarence E. Hyde, Deceased.

My Commission Expires:

Claire Erwin CLAIRES ERWIN  
Notary Public in and for Tarrant  
County, State of Texas

6-1-61

STATE OF TEXAS

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||  
||

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 8th day of

May, 1961, by Chas. C. Bankhead, Jr.

My Commission expires:

2 June 1961

Mary Jane Miller  
Notary Public in and for Dallas  
County, State of Texas

STATE OF

||  
||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

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||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

||  
||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF TEXAS

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this 8th day of

May, 1961, by W. A. MONCRIEF.

My Commission expires:

6-1-61

*Lois Ellis de Waal*

(Lois Ellis de Waal)  
Notary Public in and for Tarrant  
County, State of Texas

STATE OF

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF Texas  
COUNTY OF Etowah

The foregoing instrument was acknowledged before me this 17 day of May, 1961, by Charles B. Sanford and Dorothy B. Sanford, his wife

My Commission expires:  
June 1, 196

Lois Brooks  
Notary Public in and for Etowah  
County, State of Texas

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF New Mexico  
COUNTY OF Eddy

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of June, 1961, by JULIA BRAINARD, Individually and as Executrix of the Estate of Fred Brainard, Deceased.

My Commission expires:  
Oct 8, 1962

Lela Elliott  
Notary Public in and for Eddy  
County, State of N.M.

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF California           |  
  |  
COUNTY OF Los Angeles       |

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of  
June, 1961, by Mrs. Selma E. Andrews

My Commission expires:  
9-5-62

Eleanor Trainotti  
Notary Public in and for Los Angeles  
County, State of California  
ELEANOR TRAINOTTI  
My Commission Expires September 5, 1962

STATE OF                           |  
  |  
COUNTY OF                       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                           |  
  |  
COUNTY OF                       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                           |  
  |  
COUNTY OF                       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF Oklahoma |  
COUNTY OF Tulsa |

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of May, 1961, by Wm. A. Bailey, Jr.  
& Cleo C. Bailey, his wife

My Commission expires: June 9, 1963  
Notary Public in and for Tulsa  
County, State of Oklahoma

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires: \_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF Kansas  
COUNTY OF Sumner

The foregoing instrument was acknowledged before me this 11th day of May, 1961, by Mrs. Hattie C. Evans

My Commission expires:  
My Commission Expires Jan. 14, 1962

*Ruth B. Fuller*  
Ruth B. Fuller  
Notary Public in and for Sumner  
County, State of Kansas

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF California  
COUNTY OF Los Angeles

The foregoing instrument was acknowledged before me this 8 day of May, 1961, by

Mrs. Dull Welch Gillespie

MARGARET LIND  
My Commission Expires April 3, 1964

Margaret Lind

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

NOTARY PUBLIC in and for the County  
of Los Angeles, State of California

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

||  
||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_  
\_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

||  
||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_  
\_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

||  
||  
||

COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_  
\_\_\_\_\_

My Commission expires:

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF

*California*

||  
||  
||

COUNTY OF

*Los Angeles*

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of

May, 1961, by Van P. Welch, only  
\_\_\_\_\_

My Commission expires:

February 16-1965

Arleda Rivas  
Notary Public in and for Los Angeles  
County, State of California

SOLELY PUBLIC, Public in and for  
for the County of Los Angeles, State of California  
My Commission Expires February 16, 1965

STATE OF California           |  
  |  
COUNTY OF Los Angeles       |

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of

May, 1961, by Mrs. Virginia Nell Clark Sisk

My Commission expires:  
My Commission Expires Aug. 6, 1961

Lucas Hansen  
Notary Public in and for Los Angeles  
County, State of California

STATE OF                           |  
  |  
COUNTY OF                       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                           |  
  |  
COUNTY OF                       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF                           |  
  |  
COUNTY OF                       |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF California |  
COUNTY OF Los Angeles |

The foregoing instrument was acknowledged before me this 19th day of May, 1961, by Robert A. Welch

My Commission expires: Dec 7 1964

R. P. Spencer  
Notary Public in and for Los Angeles  
County, State of California

R. P. SPENCER  
My Commission Expires December 7, 1964 4

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF |  
COUNTY OF |

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF KANSAS  
COUNTY OF SEDGWICK

||  
||  
||

The foregoing instrument was acknowledged before me this 9th day of May, 1961, by George H. Hannum and Susan P. Hannum, his wife

My Commission expires:  
12-4-64

*Charles W. Wright*  
Notary Public in and for Sedgwick  
County, State of Kansas

STATE OF  
COUNTY OF

||  
||  
||

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

||  
||  
||

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

||  
||  
||

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF Louisiana  
COUNTY OF Orleans

The foregoing instrument was acknowledged before me this 9th day of May, 1961, by Robert Victor Bell

My Commission expires:  
10/1/62

[Signature]  
Notary Public in and for Orleans  
County, State of Louisiana

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF  
COUNTY OF

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1961, by \_\_\_\_\_

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

Notary Public in and for \_\_\_\_\_  
County, State of \_\_\_\_\_

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of

May, 1961, by Elizabeth W. Chaney, a feme sole, dealing in

her sole and separate estate.

My Commission expires:

3/16/65

Ernest Lee Hodges  
Notary Public in and for Chaves  
County, State of New Mexico

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of

May, 1961, by Olen F. Featherstone and Martha Featherstone,

his wife.

My Commission expires:

3/16/65

Ernest Lee Hodges  
Notary Public in and for Chaves  
County, State of New Mexico

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of

May, 1961, by Bonnie H. Morrison, a married woman dealing

in her sole and separate estate (formerly Bonnie H. Matlock).

My Commission expires:

3/16/65

Ernest Lee Hodges  
Notary Public in and for Chaves  
County, State of New Mexico

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of

May, 1961, by Ruby S. Crosby, Individually and as

Executrix of the Last Will and Testament of Stanley W. Crosby.

My Commission expires:

3/16/65

Ernest Lee Hodges  
Notary Public in and for Chaves  
County, State of New Mexico



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
WASHINGTON 25, D. C.

MAY 5 1961

El Paso Natural Gas Company  
c/o Mr. Foster Morrell  
Nickson Hotel Building  
Roswell, New Mexico

Gentlemen:

On May 2, 1961, Arthur A. Baker, Acting Director of the Geological Survey, approved the Mescalero Ridge unit agreement, Lea County, New Mexico, filed by Mr. Foster Morrell. This agreement has been designated No. 14-08-0001-7465, and is effective as of June 1, 1961.

Enclosed are four copies of the approved unit agreement for your records. It is requested that you furnish the State of New Mexico and any other interested principal with whatever evidence of this approval is deemed appropriate.

Please furnish us with a copy of the letter from Pure Oil Company declining to join the unit agreement mentioned as the attachment to letter of April 12, 1961, from the Drilling and Exploration Company, Inc., addressed to the Director, Geological Survey.

Very truly yours,

For the Director

Enclosures 4



CERTIFICATE OF APPROVAL

BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

MESCALERO RIDGE UNIT AREA- LEA COUNTY

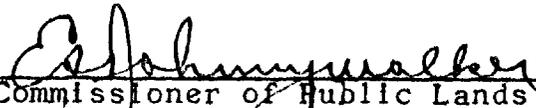
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There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated December 1, 1960, which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the state, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 7-11-39, 7-11-40, 7-11-41, 7-11-47, 7-11-48, New Mexico Statutes Annotated 1953 Compilation, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes. **The Commissioner approves this Unit Agreement but restricts the State Land to be included to the NW/4 of Section 20, Township 19-South, Range 34-East.**

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 6th. day of MARCH 19 61.

  
Commissioner of Public Lands  
of the State of New Mexico

BOARD OF THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE No. 2179  
Order No. R-1872

THE APPLICATION OF EL PASO NATURAL  
GAS COMPANY FOR APPROVAL OF THE  
MESCALERO RIDGE UNIT AGREEMENT, WHICH  
UNIT EMBRACES 7521 ACRES, MORE OR LESS,  
LOCATED IN TOWNSHIP 19 SOUTH, RANGE 34  
EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 8, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 15th day of February, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That this order shall be known as the MESCALERO RIDGE UNIT AGREEMENT ORDER.

(2) (a) That the project herein referred to shall be known as the Mescalero Ridge Unit Agreement and shall hereinafter be referred to as the "Project."

(b) That the Plan by which the project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Mescalero Ridge Unit Area,

referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Mescalero Ridge Unit Agreement Plan.

(3) That the Mescalero Ridge Unit Agreement Plan shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing in any matter any right, duties or obligations which are now, or may hereafter be, vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Mescalero Ridge Unit Agreement, or relative to the production of oil and gas therefrom.

(4) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 19 SOUTH, RANGE 34 EAST

Section 19: All  
Section 20: All  
Section 21: All  
Section 22: S/2  
Section 23: S/2  
Section 26: All  
Section 27: All  
Section 28: All  
Section 29: All  
Section 30: All  
Section 32: NE/4  
Section 33: N/2  
Section 34: All  
Section 35: All

containing 7521 acres, more or less.

(b) The unit area may be enlarged or contracted as provided in said Plan, provided, however, that administrative approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the Mescalero Ridge Unit Agreement within 30 days after the effective date thereof.

(6) That any party owning rights in the unitized substances who does not consent such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by

ILLEGIBLE

CASE No. 2179  
Order No. R-1872

subscribing to such agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

(7) That this order shall become effective upon the approval of said unit agreement by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



A. L. PORTER, Jr., Member & Secretary



UNIT AGREEMENT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE MESCALERO RIDGE UNIT AREA  
COUNTY OF LEA  
STATE OF NEW MEXICO

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EXHIBITS

- Exhibit "A" - Map of Unit Area  
Exhibit "B" - Schedule of Ownership in Lands

CONFORMED COPY