



SKELLY OIL COMPANY

PRODUCTION DEPARTMENT

TULSA 2, OKLAHOMA

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

August 2, 1962

Re: Lovington San Andres Unit
Lea County, New Mexico

R E G I S T E R E D M A I L

Mr. A. L. Porter, Jr.
Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

In accordance with Order No. R-2277, entered by the Commission on July 12, 1962, we are attaching hereto an executed original and executed counterpart of the Unit Agreement, Lovington San Andres Unit, Lea County, New Mexico, reflecting the subscription of those interests having joined or ratified said Unit Agreement.

Very truly yours,

CRD:mds
Attachments

CERTIFICATE OF APPROVAL
BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO
LOVINGTON SAN ANDRES UNIT

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND CIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

CERTIFICATE OF APPROVAL

BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

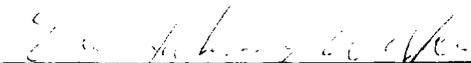
LOVINGTON SAN ANDRES UNIT

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 April 16, 1962, 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.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 13th day of JULY 19 62.



Commissioner of Public Lands
of the State of New Mexico

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 27 day of July, 1962.

SHELL OIL COMPANY

By: J. Lindsey

Attorney-in-Fact

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas }
COUNTY OF Midland } SS:

The foregoing instrument was acknowledged before me this 27 day of July, 1962, by J. V. Lindsey, Attorney-in-Fact President of Shell Oil Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

June 1, 1963

Jean Akins
Notary Public Jean Akins
Notary Public in and for
Midland County, Texas

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 1st day of June, 1962.

Glenn B. Chadwick

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF California }
COUNTY OF Los Angeles } SS:

The foregoing instrument was acknowledged before me this 1st day of June, 1962, by James B. Chalmers.

My Commission Expires: _____
Richard H. Petre
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires: _____

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 27th day of June, 1962.

Charles R. Brown
Vice President

H. N. Halverson
PERSON, ASSISTANT SECRETARY

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF California)
COUNTY OF Los Angeles) SS:

The foregoing instrument was acknowledged before me this 27th day of June, 1962, by Charles R. Brown, Vice President of Tidewater Oil Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

M. Wilson M. Wilson

Notary Public

My Commission Expires March 19, 1964

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

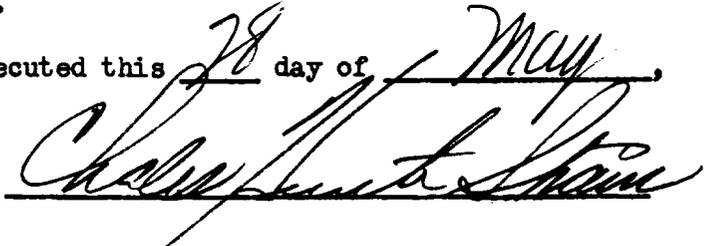
WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 28 day of May,
1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF TOM GREEN) SS:

The foregoing instrument was acknowledged before me this 28 day of May, 1962, by Charles Hunter Gram.

My Commission Expires:

JUN 1 1963

[Signature]
Notary Public
NOTARY PUBLIC IN AND FOR
TOM GREEN COUNTY, TEXAS

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

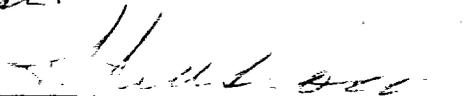
NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

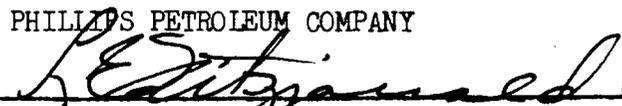
IN WITNESS WHEREOF this instrument is executed this 31st day of May, 1962.

Attest:



Assistant Secretary

PHILLIPS PETROLEUM COMPANY



L. E. Fitzjarrald
Vice President of Production



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF Oklahoma)
COUNTY OF Washington) SS:

The foregoing instrument was acknowledged before me this 31st day of May, 1962, by L. E. Fitzjarrald, Vice President of Phillips Petroleum Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

C. King
Notary Public

April 7, 1964

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 21ST day of May, 1962.

ATTEST:

SINCLAIR OIL & GAS COMPANY

Assistant Secretary

BY: [Signature]
Vice-President

*ONE
RSP
RCA
BY*

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS }
COUNTY OF Midland } SS:

The foregoing instrument was acknowledged before me this 21ST day of May, 1962, by R. L. Elston, VICE President of Sinclair Oil & Gas Company, a Missouri corporation, on behalf of said corporation.

My Commission Expires:

Ellen Halford
Notary Public

June 1, 1963

WORKING INTEREST OWNER'S RATIFICATION OF
UNIT AGREEMENT, UNIT OPERATING AGREEMENT
AND OIL RESERVATION AGREEMENT, LOVINGTON
SAN ANDRES UNIT, LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, the undersigned hereby acknowledges receipt of a copy of each of the following instruments, each dated April 16, 1962, and respectively entitled as follows: (1) "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico"; (2) "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and (3) "Oil Reservation Agreement, Lovington San Andres Unit, Lea County, New Mexico"; and

WHEREAS, the undersigned represents that it is a "Working Interest Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said Unit Agreement and more particularly identified on Exhibits A and B thereto (which said separate tracts, in the aggregate, comprise the Unit Area of said Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement each provide that same may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of each of said agreements, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in each of said agreements, and the mutual benefits to be derived therefrom, the undersigned (whether one or more) does hereby ratify, adopt and confirm said Unit Agreement, said Unit Operating Agreement and said Oil Reservation Agreement with respect to its interest or interests in all of the land included in said Unit Agreement, thereby becoming a party to said agreements with the same force and effect as if the undersigned had executed each of said agreements. The undersigned hereby stipulates that its interest or interests in said Unit Area are hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 14 day of May, 1962.

LATE OIL COMPANY

[Signature]

E. M. O'...

Valeria Late

Valeria Late

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF TOM GREEN) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF TOM GREEN) SS:

The foregoing instrument was acknowledged before me this 14 day of May, 1962, by F. M. LATE and Valeria Late his wife.

My Commission Expires:

JUN 1 1963

[Signature]
Notary Public
NOTARY PUBLIC IN AND FOR
TOM GREEN COUNTY, TEXAS

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 21st day of May, 1962.

ATTEST:


Secretary

THE HOME-STAKE ROYALTY CORPORATION

By:


President

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF OKLAHOMA)
COUNTY OF TULSA) SS:

The foregoing instrument was acknowledged before me this 21st day of May, 1962, by D. Strother Simpson, President of The Home Stake Royalty Corporation, an Oklahoma corporation, on behalf of said corporation.

My Commission Expires:

Nov. 9, 1965

Francis A. Phillips
Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

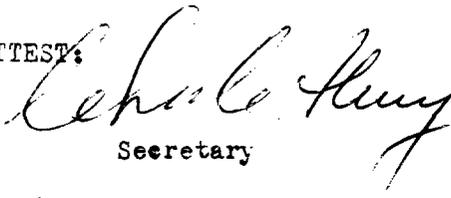
NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

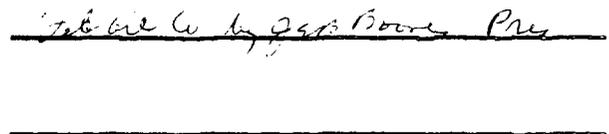
The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22nd day of May 1962.

ATTEST:


Secretary



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF HARRIS) SS:

The foregoing instrument was acknowledged before me this 23rd day of May, 1962, by J. E. B. Boone, President of Jeb Oil Company, a Texas corporation, on behalf of said corporation.

My Commission Expires:

Paul Harper
Notary Public

6-1-62

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 21st day of May, 1962.



D. P. Dean

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas)
COUNTY OF Tarrant) SS:

The foregoing instrument was acknowledged before me this 21st day of May, 1962, by D. P. Dean.

My Commission Expires:

June 1, 1963

Florence Brownlee
Notary Public
FLORENCE BROWNLEE

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 24th day of May, 1962.

Robert B. Quiring
Lucy P. Quiring

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF TARRANT) SS:

The foregoing instrument was acknowledged before me this 24th day of May, 1962, by Roger B. Owings and Lacy P. Owings his wife.

My Commission Expires:

June 1, 1963

Eunice R. Craft
Notary Public Eunice R. Craft

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22 day of May,
1962.

Howard Chamber
Sue Miles Chamber

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF Pennsylvania)
COUNTY OF Philadelphia) SS:

The foregoing instrument was acknowledged before me this 2nd day of May, 1962, by Charles W. Haeschel, Jr., President of Haeschel Company, a Pennsylvania corporation, on behalf of said corporation.

My Commission Expires:

Ann Rottenhouse
Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22nd day of May, 1962.

Richard L. Stone

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22nd day of May, 1962.

ESTATE OF C. S. CAYLOR, DECEASED

By: Thula M Caylor
Thula M. Caylor, Independent Executrix

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas)
COUNTY OF Tarrant) SS:

The foregoing instrument was acknowledged before me this 22nd day of May, 1962, by Thula M. Caylor, Independent Executrix of the Estate of C. S. Caylor, Deceased, a widow.

My Commission Expires:
June 1, 1963

Jaye Steiner
Notary Public, Tarrant County, Texas.

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22ND day of MAY, 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF OKLAHOMA)
COUNTY OF TULSA) SS:

The foregoing instrument was acknowledged before me this 23rd day of May, 1962, by R. G. ANDERSON.

My Commission Expires:

July 21, 1962

Frieda M. Snoddy
Notary Public (Frieda M. Snoddy)

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22 day of May, 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Delaware)
COUNTY OF Medford) SS:

The foregoing instrument was acknowledged before me this 22 day of May, 1962, by J. S. Johnson.

My Commission Expires:
6-1-62

Roland H. Johnson
Notary Public ROLAND H. JOHNSON

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____, his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same; *subject to said lessors ratification;*

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22 day of May, 1962.

Geo H Coates
Elizabeth H Coates

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF BEXAR) SS:

The foregoing instrument was acknowledged before me this 22nd day of May, 1962, by George H. Coates and Elizabeth H. Coates, his wife.

My Commission Expires: BERNICE S. FRIESENHAHN
Notary Public, Bexar County, Texas

Bernice S. Friesenhahn
Notary Public, Bexar County, Texas.

May 31, 1963

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 21 day of May, 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF KANSAS)
COUNTY OF MONTGOMERY) SS:

The foregoing instrument was acknowledged before me this 21 day of May, 1962, by Kirke C. Veeder.

My Commission Expires:

August 16, 1965

Faye Abbott
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 25 day of May, 1962.

Elizabeth Sibrell

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Maryland)
COUNTY OF Montgomery) SS:

The foregoing instrument was acknowledged before me this 25th day of May, 1962, by Elizabeth Bibbrell, a single woman.

My Commission Expires:

May 6, 1963

William J. Kellinger
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

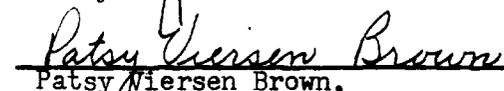
The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 28th day of May, 1962.



Daisy M. Viersen



Patsy Viersen Brown,
Co-Executrices of The Estate of R. W.
Viersen, Deceased

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Oklahoma)
COUNTY OF Okmulgee) SS:

The foregoing instrument was acknowledged before me this 28th day of May, 1962, by Daisy M. Viersen and Patsy Viersen Brown, in the capacity as stated.

My Commission Expires:

March 14, 1965

K. O. Herwig
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

MAY 31 1962

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

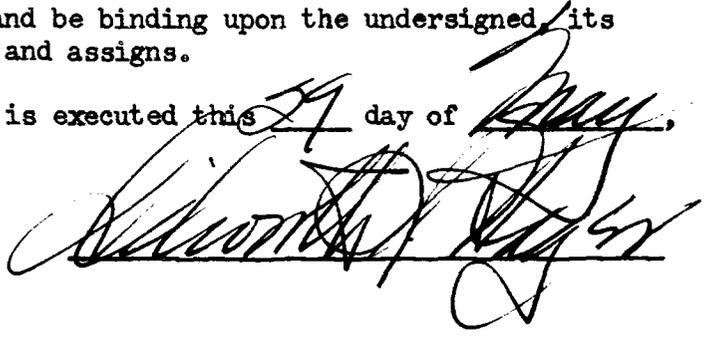
WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 29 day of May, 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF DALLAS) SS:

The foregoing instrument was acknowledged before me this 29th day of May, 1962, by Dilworth S. Hager.

My Commission Expires:

June 1, 1963

Inez McCraney
Notary Public in and for Dallas County, Texas
INEZ McCRANEY
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1963.

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 29th day of May, 1962.

Nella M. Drew
R. O. Suter

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas)
COUNTY OF Gray) SS:

The foregoing instrument was acknowledged before me this 29th day of May, 1962, by Nelle M. Crew and C.O. Crew his wife.

My Commission Expires:

Baibia Lee Jones
Notary Public

June 1, 1963

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22nd day of May, 1962.

Henry Chadwick

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Wisconsin)
COUNTY OF Washington) SS:

The foregoing instrument was acknowledged before me this 22 day of May, 1962, by Carlyle F. Richards.

My Commission Expires: _____
My Commission Expires April 21, 1966 Carlyle F. Richards
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires: _____
Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 1st day of June, 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF TARRANT) SS:

The foregoing instrument was acknowledged before me this 1st day of June, 1962, by Chas. J. Hoffman.

My Commission Expires: 6-1-63

Fay E. Markle
Notary Public **Fay E. Markle**

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

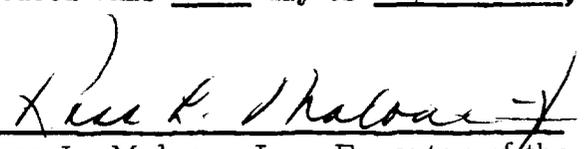
WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 1st day of June, 1962.



Ross L. Malone, Jr., Executor of the
Estate of F. J. Danglede, deceased.

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF NEW MEXICO)
COUNTY OF CHAVES) SS:

The foregoing instrument was acknowledged before me this 1st day of June, 1962, by Ross L. Malone, Jr., Executor of the Estate of F. J. Danglede, deceased.

My Commission Expires:

7-10-64

Helda A. Saeghan
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

JUN 5 1962

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 24th day of May, 1962.

David B. Savary

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Pennsylvania }
COUNTY OF Philadelphia } SS:

The foregoing instrument was acknowledged before me this 14th day of May, 1962, by Harriet B. Savage, a widow.

My Commission Expires:

Ann Kutenkows
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 31 day of May, 1962.

R. J. Anderson

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas)
COUNTY OF Doddland) SS:

The foregoing instrument was acknowledged before me this 31 day of May, 1962, by R. L. Anderson.

My Commission Expires:

MARY N. LOVE - Notary Public
My Commission Expires June 1, 1963

Mary N. Love
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 31st day of May, 1962.

Mary Elizabeth Taylor (ing)

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Pennsylvania)
COUNTY OF Indiana) SS:

The foregoing instrument was acknowledged before me this 31st day of May, 1962, by Mary Elizabeth Caylor (Single woman)

My Commission Expires:

Martha Daugherty
Notary Public

NOTARY PUBLIC

MY COMMISSION EXPIRES APRIL 27, 1965

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

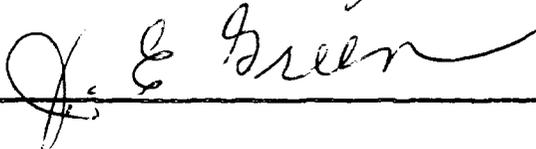
WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 2 day of June 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas)
COUNTY OF Smith) SS:

The foregoing instrument was acknowledged before me this 2 day of June, 1962, by J. E. Green.

My Commission Expires:
June 1 1963

Thomas N Ferrell
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

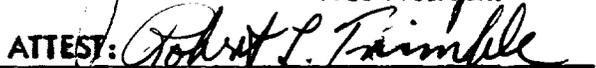
IN WITNESS WHEREOF this instrument is executed this 6th day of June, 1962.

SOUTHLAND ROYALTY COMPANY

By


Vice President

ATTEST:


Asst. Secretary

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF TARRANT) SS:

The foregoing instrument was acknowledged before me this 6th day of June, 1962, by JOHN C. HARVEY, Vice President of Southland Royalty Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

ANN HORTON, Notary Public
in and for Tarrant County, Texas
My commission Expires June 1, 1963.

Ann Horton

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 25 day of MAY, 1962.

ATTEST

Edna Huff
ASSISTANT SECRETARY

ROSWELL SECURITIES

By R. M. Moran R. M. MORAN
PRESIDENT

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF NEW MEXICO)
COUNTY OF LEA) SS:

The foregoing instrument was acknowledged before me this 24 day of MAY, 1962, by R. M. MORAN President of ROSWELL SECURITIES, a NEW MEXICO corporation, on behalf of said corporation.

My Commission Expires:

Edna Huff EDNA HUFF
Notary Public

9-16-63

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 13th day of June, 1962.

R. H. Wood

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF MIDLAND) SS:

The foregoing instrument was acknowledged before me this 13th day of June, 1962, by R. H. Woods.

JANE HARGRAVE

My Commission Expires:

June 1, 1963

Jane Hargrave
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION ACKNOWLEDGMENT

THE STATE OF TEXAS

COUNTY OF Midland

BEFORE ME, the undersigned authority, on this day personally

appeared Patrick A. Flynn, known to me to be the persons whose names are

subscribed to the foregoing instrument, as Vice-President & Trust Officer, The First National Bank, Midland, a corporation, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, in the capacity stated, and Tex. as the act and deed of said corporation.

Given under my hand and seal of office this the 14th day of June A. D. 19 62

Forrest S. Ramsey
Notary Public in and for Midland County, Texas.
In and for the County of Midland, Texas

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 22nd day of June, 1962.

W B Collins

Margaret C. Collins

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS }
COUNTY OF MIDLAND } SS:

The foregoing instrument was acknowledged before me this 22nd day of June, 1962, by W. B. Collins and Margaret C. Collins, his wife.

My Commission Expires:

June 1, 1963

Jane Hargrave
Notary Public JANE HARGRAVE

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 19 day of June, 1962.



INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Nevada)
COUNTY OF Clark) SS:

The foregoing instrument was acknowledged before me this 19 day of June, 1962, by Allen Williams.

My Commission Expires:
Jan 24 1964

Robert Kent
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 18 day of June, 1962.

Edna Pryor, a widow

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF Texas)
COUNTY OF Midland) SS:

The foregoing instrument was acknowledged before me this 18 day of June, 1962, by Edna Pryor, a widow.

My Commission Expires:
June 1, 1963

Mark L. Allday
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 20 day of June, 1962.

Mason Graham

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF New Mexico)
COUNTY OF Lea) SS:

The foregoing instrument was acknowledged before me this 20 day of June, 1962, by Mason Graham.

My Commission Expires:

Oct 25, 1965

Mary Luella Harmon
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 20 day of June, 1962.

Mary Louise Carson

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF New Mexico)
COUNTY OF Lea) SS:

The foregoing instrument was acknowledged before me this 30 day of June, 1962, by Mary Louise Carson.

My Commission Expires:

October 25, 1965

Mary Luella Hansen
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____, his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

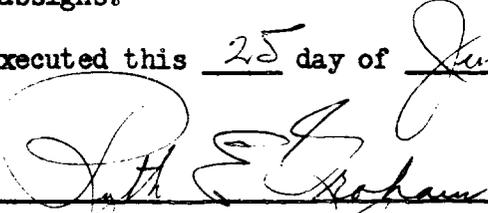
WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 25 day of June, 1962.





INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF New Mexico)
COUNTY OF Santa Fe) SS:

The foregoing instrument was acknowledged before me this 25 day of June, 1962, by Ruth E. Graham, joined by her Husband, George A. Graham.

My Commission Expires:

March 1, 1965

Gladys Partridge Crow
Notary Public Gladys Partridge Crow

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 25 day of June, 1962.

Ralph E. Hartz, Jr. Sec.
James William Judd
Sec.

JOINT INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF POTTER) SS:

The foregoing instrument was acknowledged before me this 25th day of June, 1962, by Ralph E. Wertz, Jr. & Royal Wertz, M.D.

My Commission Expires: June 1, 1963.

Labee M. Still
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 15th day of June, 1962.

J. D. Graham, Jr.

JUN 18 1962

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF New Mexico }
COUNTY OF Alamogordo } SS:

The foregoing instrument was acknowledged before me this 15 day of June, 1962, by J. L. Graham, Jr.

My Commission Expires:

Mrs. Della Hammond
Notary Public

Oct. 25, 1965

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 26th day of June, 1962.

Sarah A. Leick

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF TEXAS)
COUNTY OF MIDLAND) SS:

The foregoing instrument was acknowledged before me this 26th day of June, 1962, by Sarah A. Link, a widow.

My Commission Expires:

June 1, 1963

[Signature]
Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

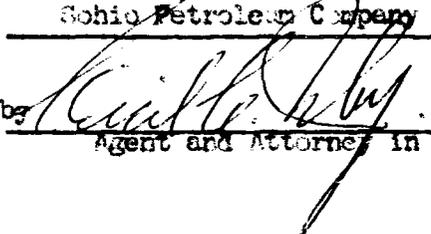
NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 27 day of June, 1962.

Sohio Petroleum Company

by 
Agent and Attorney in fact

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF Oklahoma)
COUNTY OF Oklahoma) SS:

The foregoing instrument was acknowledged before me this 27th day of June, 1962, by CECIL C. IRBY AGENT AND ATTORNEY IN FACT ~~President~~ of Indian Petroleum Company, a Ohio corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires Sept. 28 1965

M. Williamson
Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 28th day of June, 1962.

 **FELMONT OIL CORPORATION**

By: George J. Diller

Vice President

Attest: Daniel E. Chico

Secretary

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF New York)
COUNTY OF New York) SS:

The foregoing instrument was acknowledged before me this 28th day of June, 1962, by George J. Sallee, Vice President of Belmont Air Corporation, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

March 30, 1963

Marion A. Garrahe
Notary Public

MARION A. GARRAHE
Notary Public, State of New York
No. 41-1378200 Qual. in Queens Co.
Cert. filed in New York County
Term Expires March 30, 1963

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 11 day of _____, 1962.

THE WILLIAM K. WARREN FOUNDATION

ATTEST

By: *A. J. Murphy*

Assistant Secretary

By: *John K. Warren*

Vice President

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____ and _____ his wife.

My Commission Expires:

Notary Public

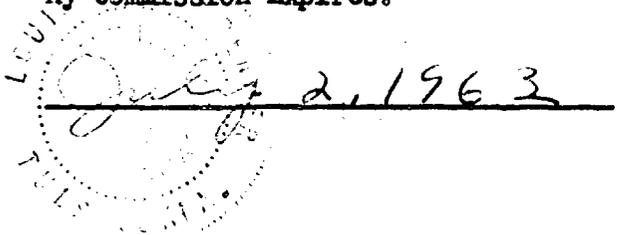
CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF Oklahoma)
COUNTY OF LeFlore) SS:

The foregoing instrument was acknowledged before me this 11 day of _____, 1962, by James H. Glendon, President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Levie H. Glendon
Notary Public



ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 10 day of July, 1962.

J. M. Armstrong
J. M. Armstrong
Mary Lee Armstrong
Mary Lee Armstrong

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF ~~NEW MEXICO~~ Delaware)
COUNTY OF ~~LEA~~ Willoughby) SS:

The foregoing instrument was acknowledged before me this 10 day of July, 1962, by J. M. Armstrong and Mary Lea Armstrong his wife.

My Commission Expires:

[Signature]
Notary Public

~~1962~~ June 1, 1964

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

ROYALTY OWNER'S
RATIFICATION OF UNIT AGREEMENT
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, each of the undersigned hereby acknowledges receipt of a true and correct counterpart of that certain instrument dated April 16, 1962, and entitled "Unit Agreement for the Development and Operation of the Lovington San Andres Unit, Lea County, New Mexico", reference to which said agreement being here made for all pertinent purposes; and

WHEREAS, each of the undersigned represents that it is a "Royalty Owner" (as that term is defined in said Unit Agreement) and, as such, owns an interest or interests in one or more of the separate tracts of land covered by said agreement and more particularly identified on Exhibits "A" and "B" thereto (which said separate tracts, in the aggregate, comprise the Unit Area of the Lovington San Andres Unit); and

WHEREAS, among other things, said Unit Agreement provides that it may be ratified by a separate instrument in writing, and the undersigned, being familiar with the contents of said agreement, desires to ratify and confirm same;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements set forth in said Unit Agreement, and the mutual benefits to be derived therefrom, each of the undersigned does hereby ratify, adopt and confirm said Unit Agreement with respect to all of its interest or interests in all of the land covered by said agreement, thereby becoming a party to said agreement to the same extent as if it had executed a counterpart thereof. Each of the undersigned hereby stipulates that its interest or interests in said Unit Area is hereby unitized in accordance with and subject to all of the terms and conditions of said Unit Agreement.

The undersigned (whether one or more) is referred to in the singular and in the neuter gender.

This ratification shall extend to and be binding upon the undersigned, its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF this instrument is executed this 10 day of July, 1962.

W. H. ...
Patricia ...

JUL 19 1962

INDIVIDUAL NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____.

My Commission Expires:

Notary Public

JOINT HUSBAND & WIFE NOTARY ACKNOWLEDGMENT FORM

STATE OF New Mexico *Lea*)
COUNTY OF Lea *Midland*) SS:

The foregoing instrument was acknowledged before me this 10 day of July, 1962, by W. A. Yeager and Patsy Goss Yeager, his wife.

My Commission Expires:

M. L. Manning *M. L. Manning*
Notary Public in and for Midland County,
Texas

June, 1963

CORPORATION NOTARY ACKNOWLEDGMENT FORM

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, _____ President of _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

Case 2593

BEFORE EXAMINER UTZ
OF THE COMMISSION
EXHIBIT NO. _____
CASE NO. 2092 2593

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
LOVINGTON SAN ANDRES UNIT
COUNTY OF LEA
STATE OF NEW MEXICO

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
LOVINGTON SAN ANDRES UNIT
COUNTY OF LEA
STATE OF NEW MEXICO

Table of Contents

Index

Preamble

Agreement Proper

Map of Unit Area	Exhibit "A"
Schedule of Ownership	Exhibit "B"
Participation Percentage	Exhibits "C-1" and "C-2"

Certification - Determination

Certificate of Approval

UNIT AGREEMENT
 LOVINGTON SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO

<u>SECTION</u>	<u>INDEX</u>	<u>PAGE</u>
1	Enabling Act and Regulations	2
2	Unit Area and Definitions	2
3	Exhibits	4
4	Expansion	5
5	Oil and Gas Rights Unitized	6
6	Unit Operator	7
7	Resignation or Removal of Unit Operator	7
8	Successor Unit Operator	8
9	Accounting Provisions and Unit Operating Agreement	9
10	Rights and Obligations of Unit Operator	9
11	Plan of Operations	10
12	Oil in Lease Tankage on Effective Date	11
13	Tract Participation	12
14	Tracts Qualified for Unit Participation	12
15	Allocation of Unitized Substances	14
16	Royalty Settlement	16
17	Rental Settlement	18
18	Conservation	18
19	Drainage	18
20	Leases and Contracts Conformed and Extended	18
21	Covenants Run With Land	20
22	Effective Date and Term	21
23	Nondiscrimination	23
24	Appearances	23
25	Notices	23
26	No Waiver of Certain Rights	24
27	Unavoidable Delay	24
28	Loss of Title	24
29	Counterparts	26
30	Joinder in Dual Capacity	26
31	Taxes	26
32	Conflict of Supervision	26
33	Limitation of Approvals	27
34	Border Agreements	27
35	Creation of New Interest	27
36	Personal Property Excepted	28
37	No Partnership	28
38	Oil Reservation Agreement	28
39	Lien of Unit Operator	29

Exhibit "A" (Map of Unit Area)

Exhibit "B" (Schedule of Ownership)

Exhibit "C-1" (Participation Percentage)

Exhibit "C-2" (Participation Percentage)

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior as to Federal lands, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C. F. R. Sec. 4.611, 12 F. R. 6784, we do hereby:

A. Approve the attached agreement for the development and operation of the Lovington San Andres Unit, Lea County, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated _____

Director, United States Geological Survey

CERTIFICATE OF APPROVAL
BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO,
OF UNIT AGREEMENT FOR DEVELOPMENT AND OPERATION OF THE
LOVINGTON SAN ANDRES UNIT, COUNTY OF LEA, NEW MEXICO

There has been presented to the undersigned Commissioner of Public Lands of the State of New Mexico, for examination, an agreement for the development and operation of the Lovington San Andres Unit, Lea County, New Mexico, dated April 16, 1962, in which Skelly Oil Company is designated as Operator, and which has been executed by various parties owning and holding oil and gas leases embracing lands within the Unit Area, and upon examination of said agreement the Commissioner finds:

- (a) That such agreement will tend to promote conservation of oil and gas and the better utilization of reservoir energy in said field;
- (b) That under the operations proposed, the state will receive its fair share of the recoverable oil or gas in place under its land in the area affected;
- (c) That the agreement is in other respects for the best interests of the state;
- (d) That the agreement provides for the unit operation of the field, for allocation of production and sharing of proceeds from the area covered by the agreement in accordance with a formula for participation as specified in the agreement regardless of the particular tract from which production is obtained or proceeds are derived and for repressuring or secondary recovery operations.

NOW, THEREFORE, by virtue of the authority conferred upon me by virtue of the Laws of the State of New Mexico, 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 above referred to Lovington San Andres Unit Agreement as to the lands of the State of New Mexico committed thereto, and all oil and gas leases embracing lands of the State of New Mexico committed to said agreement shall be and the same are hereby amended so that the provisions thereof will conform to the provisions of said Unit Agreement and so that the length of the secondary term of each such lease as to the lands within the Unit Area will be extended, insofar as is necessary, to coincide with the term of said Unit Agreement and in the event the term of said Unit Agreement shall be extended as provided therein, such extension shall also be effective to extend the term of each oil and gas lease embracing lands of the State of New Mexico committed to said Unit Agreement which would otherwise expire, so as to coincide with the extended term of such Unit Agreement.

IN WITNESS WHEREOF, this Certificate of Approval is executed as of this _____ day of _____, 1962.

Commissioner of Public Lands of the
State of New Mexico

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 16th day of April, 1962, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as "parties hereto,"

WITNESSETH: That,

WHEREAS, the parties hereto are the owners of working, royalty or other oil or gas interests in the land subject to this agreement; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws 1943, as amended by Sec. 1 of Chap. 162, Laws of 1951, Chap. 7, Art. 11, Sec. 39, N.M.S. 1953 anno.) to consent to or approve this agreement on behalf of the State of New Mexico, insofar as it covers and includes lands and mineral interests of the State of New Mexico; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws of 1943, as amended by Sec. 1, Chap. 162, Laws of 1951, Chap. 7, Art. 11, Sec. 41, N.M.S. 1953 anno.) to amend with the approval of the lessee, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the term of such unitized development and operation of State lands; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by law (Chap. 72, Laws of 1935, as amended by Chap. 193, Laws of 1937, Chap. 166, Laws of 1941, and Chap. 168, Laws of 1949) to approve this agreement and the conservation provisions hereof; and

WHEREAS, the Mineral Leasing Act of February 25, 1920 (41 Stat. 437, as amended, 30 U.S.C. Sections 181 et seq.) authorizes Federal lessees and their representatives to unite with each other or jointly

or separately with others in collectively adopting and operating a co-operative or unit plan of development or operation of any oil or gas pool, field or like area or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the parties hereto hold sufficient interests in the Lovington San Andres Unit Area, as that term is defined hereinafter, to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to enable institution and consummation of secondary recovery operations, conserve natural resources, prevent waste and secure the other benefits obtainable through development and operation of the area subject to this agreement under the terms, conditions and limitations herein set forth.

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their entire respective interests in the Unitized Formation underlying the Unit Area (as those terms are defined hereinafter), and agree severally among themselves as follows:

SECTION 1. ENABLING ACT AND REGULATIONS: The Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid, pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder and valid, pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this agreement as to Federal lands, provided such regulations are not inconsistent with the terms of this agreement; and as to non-Federal lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the non-Federal land is located, are hereby accepted and made a part of this agreement.

SECTION 2. UNIT AREA AND DEFINITIONS: For the purpose of this

agreement, the following terms and expressions as used herein shall mean:

(a) "Unit Area" is defined as the land depicted on Exhibit "A" and described by Tracts in Exhibit "B" as to which this agreement becomes effective or to which it may be extended as herein provided.

(b) "Commissioner" is defined as the Commissioner of Public Lands of the State of New Mexico.

(c) "Commission" is defined as the Oil Conservation Commission of the State of New Mexico.

(d) "Director" is defined as the Director of the United States Geological Survey.

(e) "Secretary" is defined as the Secretary of the Interior of the United States of America.

(f) "Department" is defined as the Department of the Interior of the United States of America.

(g) "Supervisor" is defined as the Oil and Gas Supervisor of the United States Geological Survey.

(h) "Unitized Formation" is defined as the San Andres Formation, same being that heretofore established underground reservoir underlying the Unit Area, the top of said reservoir being indicated to be at a depth of 4,334 feet and the base thereof at a depth of 5,240 feet on the Gamma Ray log of Amerada Petroleum Corporation's State "LA" Lease Well No. 1, located in the NW/4 NE/4 of Section 1, T-17-S, R-36-E, Lea County, New Mexico.

(i) "Unitized Substances" is defined as all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate and all associated and constituent liquid or liquefiable hydrocarbons within or produced from the Unitized Formation.

(j) "Working Interest" is defined as the right to search for, produce and acquire Unitized Substances whether held as an incident of ownership of mineral fee simple title, under an oil and gas lease, or otherwise.

(k) "Working Interest Owner" is defined as any party heretofore owning a Working Interest, including a carried working interest owner, holding an interest in Unitized Substances by virtue of a lease, operating agreement, fee title or otherwise, which interest is chargeable with and obligated to pay or bear, either in cash or out of production, or otherwise, all or a portion of the cost of drilling, developing and producing the Unitized Substances from the Unitized Formation and the operation thereof hereunder. The owner of oil and gas rights that are free of lease or other instrument conveying the Working Interest to another shall be regarded as a Working Interest Owner to the extent of seven-eighths (7/8) of his interest in Unitized Substances, and as a Royalty Owner with respect to his remaining one-eighth (1/8) interest therein.

(l) "Royalty Interest" or "Royalty" is defined as an interest other than a Working Interest in or right to receive a portion of the Unitized Substances or the proceeds thereof and includes the royalty interest reserved by the lessor in an oil and gas lease and any overriding royalty interest, oil payment interest, net profit contracts, or any other payment or burden which does not carry with it the right to search for and produce Unitized Substances.

(m) "Royalty Owner" is defined as and shall mean the owner of a Royalty Interest.

(n) "Tract" is defined as and shall mean each parcel of land described as such and given a Tract number in Exhibit "B".

(o) "Tract Participation" means the percentage shown on Exhibits "C-1" and "C-2" for allocating Unitized Substances to a Tract under this agreement.

(p) "Unit Participation" is defined as and shall mean the sum of the percentages obtained by multiplying the Working Interest of each Working Interest Owner in each Tract within the Unit Area by the percentage of participation assigned to each such Tract.

(q) "Unit Operating Agreement" is defined as and shall mean any agreement or agreements (whether one or more) entered into (separately or collectively) by and between the Unit Operator and the Working Interest Owners as provided in Section 9, infra, and shall be styled "Unit Operating Agreement, Lovington San Andres Unit, Lea County, New Mexico."

SECTION 3. EXHIBITS: Exhibit "A" attached hereto is a map showing, to the extent known to Unit Operator, the Unit Area and the boundaries and identity of Tracts and leases in said Unit Area. Exhibit "B" attached hereto is a schedule showing, to the extent known to Unit Operator, the acreage comprising each Tract and the percentage ownership of each Working Interest Owner in each Tract. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as being owned by such party. Exhibit "C-1" is a schedule showing in Part I thereof the Tract Participation of each Tract included in the Unit Area and in Part II thereof the Unit Participation of each Working Interest Owner. Parts I and II of Exhibit "C-1" shall become effective at 7:00 a.m. on the effective date of this agreement and shall continue in effect until 7:00 a.m. on the first day of the month next following the month in which the cumulative oil production from the Unitized Formation underlying the Unit Area, as shown on the original Exhibit "A", equals 731,378 barrels from and after October 1, 1961, as determined by the Commission's monthly

report, Form C-115. Exhibit "C-2" is a schedule showing in Part I thereof the Tract Participation of each Tract included in the Unit Area and in Part II thereof the Unit Participation of each Working Interest Owner. Parts I and II of Exhibit "C-2" shall become effective at 7:00 a.m. on the first day of the month next following the month in which the cumulative oil production from the Unitized Formation underlying the Unit Area, as shown on the original Exhibit "A", equals 731,378 barrels from and after October 1, 1961, as determined by the Commission's monthly report, Form C-115.

It is hereby agreed by all parties to this agreement that Unit Operator is empowered to correct any mathematical errors which may exist in the pertinent exhibits to this agreement upon first having obtained approval of the Working Interest Owners.

Exhibits "A", "B", "C-1" and "C-2" shall be revised by Unit Operator whenever changes render such revision necessary, and at least two copies of such revision shall be filed with the Commissioner and not less than six copies thereof shall be filed with the Supervisor.

SECTION 4. EXPANSION: The Unit Area may, when practicable and necessary or desirable for the purposes of this agreement, be expanded to include acreage reasonably proved to be productive under such terms and conditions as are hereinafter provided and, further, if such acreage is otherwise qualified as provided in Section 14, infra. Such expansion shall be effected in the following manner:

(a) The participation to be allocated to the acreage added to the Unit Area shall be based on all available information to the end that a reasonable and fair participation shall be so allocated.

(b) All of the acreage brought into the Unit Area pursuant to each such expansion shall be subject to all of the applicable terms, covenants and conditions of this agreement. Each owner of leases on or other operating rights in the lands being added shall execute or ratify this agreement and the Unit Operating Agreement and each

Royalty Owner in the acreage to be added to the Unit Area shall execute or ratify this agreement; provided, however, that execution or ratification of this agreement or the Unit Operating Agreement more than thirty (30) days after this agreement becomes effective as to such added acreage by the owner of any interest in such added acreage shall be upon such terms and conditions as may be determined by Working Interest Owners.

(c) The execution or ratification of this agreement by a person owning a Royalty Interest in any acreage being brought into the Unit Area shall have the effect of committing to the Unit all his Royalty Interest in each Tract being added to the Unit as well as in each Tract previously included in the Unit Area.

There shall never be any retroactive allocation or adjustment of operating expenses or of interests in the Unitized Substances produced (or the proceeds of the sale thereof) by reason of an expansion of the Unit Area; provided, however, this limitation shall not prevent any adjustment of investment necessitated by such expansion.

In the event of an expansion of the Unit Area, Unit Operator shall recompute the Tract Participation of each Tract within the Unit Area as enlarged and shall revise Exhibits "A", "B", "C-1" and "C-2", as necessary, subject to the approval of the Commissioner, the Director and the Working Interest Owners. The effective date of any expansion of the Unit Area shall be 7:00 a.m. on the first day of the calendar month next following compliance with conditions for expansion as specified by the Commissioner, the Director and the Working Interest Owners and after filing of appropriate revised exhibits in the records of Lea County, New Mexico, and with the Commissioner and the Director.

SECTION 5. OIL AND GAS RIGHTS UNITIZED: All Unitized Substances in and under the land effectively committed to this agreement, together with the surface rights of ingress and egress, are unitized under the terms of this agreement and said land shall constitute the land referred to herein as "Unit Area."

Nothing herein shall be construed to unitize, pool, or in

any way affect the oil, gas and other minerals contained in or that may be produced from any formation other than the Unitized Formation.

SECTION 6. UNIT OPERATOR: SKELLY OIL COMPANY, a Delaware corporation, is hereby designated as initial Unit Operator, and by signing this instrument as Unit Operator it agrees and consents to accept the duties and obligations of Unit Operator for the operation, development and production of Unitized Substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interests in Unitized Substances, and the term "Working Interest Owner" when used herein shall include or refer to Unit Operator as the owner of a Working Interest when such an interest is owned by it.

SECTION 7. RESIGNATION OR REMOVAL OF UNIT OPERATOR: Unit Operator shall have the right to resign at any time, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of six (6) months after written notice of intention to resign has been given by Unit Operator to all Working Interest Owners, unless a new Unit Operator shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

The resignation of Unit Operator shall not release Unit Operator from any liability for any default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties and obligations hereunder, be subject to removal by 85 per cent of the committed Working Interest Owners (based upon the then current Unit Participation) exclusive of the Working Interest Owner who is the Unit Operator.

In all such instances of effective resignation or removal, until a successor to Unit Operator is selected and approved as hereinafter provided, the Working Interest Owners shall be jointly responsible for the performance of the duties of the Unit Operator and shall, not later than thirty (30) days before such resignation or removal becomes effective, appoint a common agent to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this agreement shall not terminate its right, title or interest as the owner of a Working Interest or other interest in Unitized Substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all equipment, books and records, materials, appurtenances and any other assets used in conducting the Unit operations and owned by the Working Interest Owners (including any and all data and information which it might have gained or assembled by reason of its operation of the Unit Area) to the new duly qualified successor Unit Operator or to the common agent if no such new Unit Operator is elected, to be used for the purpose of conducting Unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells. Nothing herein contained shall be construed to relieve or discharge any Unit Operator who resigns or is removed hereunder from any liability or duties accruing to or performable by it prior to the effective date of such resignation or removal.

SECTION 8. SUCCESSOR UNIT OPERATOR: Whenever Unit Operator shall tender its resignation as Unit Operator or shall be removed as hereinabove provided, the Working Interest Owners shall by affirmative vote of at least two Working Interest Owners with a combined voting interest of at least 70 per cent, based upon the then current Unit Participation, select a successor Unit Operator; provided, however, that should any Working Interest Owner own a

voting interest of more than 30 per cent, the vote of said party shall not serve to disapprove the selection of a new Unit Operator approved by 80 per cent or more of the voting interests of the remaining Working Interest Owners; provided further that Unit Operator shall not vote to succeed itself and its vote shall not be counted in a vote concerning its removal as the Unit Operator. Such selection shall not become effective until: (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Commissioner.

SECTION 9. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT:

Costs and expenses incurred by Unit Operator in conducting Unit operations hereunder shall be paid, apportioned among and borne by the Working Interest Owners in accordance with the Unit Operating Agreement. Such Unit Operating Agreement shall also provide the manner in which the Working Interest Owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereunder in conformity with their underlying operating agreements, leases or other independent contracts and such other rights and obligations as between Unit Operator and the Working Interest Owners as may be agreed upon by the Unit Operator and the Working Interest Owners; however, no such Unit Operating Agreement shall be deemed either to modify any of the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this agreement, and in case of any inconsistency or conflict between this agreement and the Unit Operating Agreement, this agreement shall prevail. Two true copies of any Unit Operating Agreement executed pursuant to this Section shall be filed with the Commissioner and three true copies thereof shall be filed with the Supervisor.

SECTION 10. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR: Except as otherwise specifically provided herein, the exclusive right, privilege and duty of exercising any and all rights of the parties

hereto which are necessary or convenient for prospecting for, producing, storing, allocating and distributing the Unitized Substances are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Upon request therefor, acceptable evidence of title to said rights shall be deposited with said Unit Operator, and together with this agreement shall constitute and define the rights, privileges and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

SECTION 11. PLAN OF OPERATIONS: It is recognized and agreed by the parties hereto that all of the land subject to this agreement is reasonably proved to be productive of Unitized Substances in paying quantities and that the object and purpose of this agreement is to formulate and to put into effect a secondary recovery project in order to effect a greater recovery of Unitized Substances, prevent waste and conserve natural resources. The parties hereto agree that the Unit Operator may, subject to the consent and approval of a plan of operation by the Working Interest Owners, inject into the Unitized Formation, through any well or wells completed therein, brine, water, air, gas, oil, liquefied petroleum gas, and any other substance or a combination of any of said substances, whether produced from the Unitized Formation or not, and that the location of input wells and the rates of injection therein and the rate of production shall be governed by standards of good geologic and petroleum engineering practices and conservation methods. Reasonable diligence shall be exercised by Unit Operator in complying with the obligations of any approved plan of operation. The parties hereto, to the extent they have the right so to do, hereby grant Unit Operator the right to use brine or water (or both) from any formation underlying the Unit Area

for injection purposes; provided, however, that this grant of said right does not preclude the use of brine or water (or both) from any formation other than the Unitized Formation for use by Working Interest Owners in formations other than said Unitized Formation. After commencement of secondary operations, Unit Operator shall furnish the Commissioner and the Supervisor monthly injection and production reports for each well in the Unit. The Working Interest Owners, the Supervisor, and the Commissioner, shall be furnished periodic reports on the progress of the plan of operation and any revisions or changes thereto necessary to meet changed conditions or to protect the interests of all parties to this agreement.

SECTION 12. OIL IN LEASE TANKAGE ON EFFECTIVE DATE: Unit Operator shall make a proper and timely gauge of all lease and other tanks within the Unit Area in order to ascertain the amount of merchantable oil above the pipe line connection in such tanks as of 7:00 a.m. on the effective date hereof. All such oil which has then been produced legally shall be and remain the property of the Working Interest Owner entitled thereto the same as if the Unit had not been formed; and such Working Interest Owner shall promptly remove said oil from the Unit Area. Any such oil not so removed shall be sold by Unit Operator for the account of such Working Interest Owner, subject to the payment of all Royalty to Royalty Owners under the terms and provisions of the Unit Agreement and any applicable lease or leases and other contracts. All such oil as is in excess of the prior allowable of the well or wells from which the same was produced shall be regarded and treated the same as Unitized Substances produced after the effective date hereof. If, as of the effective date hereof, any Tract is overproduced with respect to the allowable of the well or wells on that Tract and the amount of such overproduction has been sold or otherwise disposed of, such overproduction shall be regarded and included as a part of the Unitized Substances produced after the effective date hereof and the amount

thereof charged to such Tract as having been delivered to the persons entitled to Unitized Substances allocated to such Tract.

SECTION 13. TRACT PARTICIPATION: In Exhibits "C-1" and "C-2" attached hereto there are listed and numbered the various Tracts within the Unit Area. Set forth opposite each Tract is a figure which represents the Tract Participation allocated to each Tract in the Unit Area calculated on the basis of 100 per cent Tract commitment, and shall become effective as follows:

(a) PHASE I.

The Tract Participations set out in Part I of Exhibit "C-1" shall be effective from 7:00 a.m. on the effective date of this agreement until 7:00 a.m. on the first day of the month next following the date on which the total cumulative oil production from the Unitized Formation underlying the Unit Area, as shown on the original Exhibit "A", equals 731,378 barrels from and after October 1, 1961, as determined by the Commission's monthly report, Form C-115.

(b) PHASE II.

The Tract Participations set out in Part I of Exhibit "C-2" shall be effective from 7:00 a.m. on the first day of the month next following the date on which said total cumulative oil production from the Unitized Formation underlying the Unit Area, as shown on the original Exhibit "A", equals 731,378 barrels from and after October 1, 1961, as determined by the Commission's monthly report, Form C-115.

If the Unit Area is enlarged or reduced, the revised Tract Participations of the Tracts remaining in the Unit Area and which were within the Unit Area prior to the enlargement or reduction, shall remain in the same ratio one to another.

SECTION 14. TRACTS QUALIFIED FOR UNIT PARTICIPATION: On the effective date hereof, and thereafter until it is enlarged or reduced, the Unit Area shall be composed of those Tracts depicted on Exhibit "A" and described in Exhibit "B" that corner or have a common boundary (Tracts separated only by a public highway or a railroad right of way shall be considered to have a common boundary), and that qualify as follows:

(a) Each Tract as to which Working Interest Owners owning 100% of the Working Interest therein have become parties hereto and as to which Royalty Owners owning 75% or more of the Royalty Interest therein have become parties hereto.

(b) Each Tract as to which Working Interest Owners owning 100% of the Working Interest therein have become parties hereto and as to which Royalty Owners owning less than 75% of the Royalty Interest therein have become parties hereto and, further, as to which:

(i) All Working Interest Owners in any such Tract have joined in a request for the inclusion of such Tract in the Unit Area, and

(ii) 75% of the combined voting interests of Working Interest Owners in all Tracts meeting the requirements of Section 14(a) hereof have voted in favor of including such Tract.

For the purposes of this Section 14(b), a Working Interest Owner's "voting interest" shall be equal to the ratio (expressed in per cent) which its aggregate Unit Participation in all Tracts qualifying under Section 14(a) bears to the total Unit Participation of all Working Interest Owners in all Tracts qualifying under Section 14(a), as such Unit Participation is set out in Exhibit "C-2".

(c) Each Tract as to which Working Interest Owners owning less than 100% of the Working Interest therein have become parties hereto, regardless of the percentage of Royalty Interest therein which is committed hereto and, further, as to which:

(i) The Working Interest Owner operating any such Tract and all of the other Working Interest Owners in such Tract who have become parties hereto have joined in a request for inclusion of such Tract in the Unit Area and have executed and delivered an indemnity agreement indemnifying and agreeing to hold harmless the other Working Interest Owners in the Unit Area, their successors and assigns, against all claims and demands which may be made by the owners of working interests in such Tract who are not parties hereto and which arise out of the inclusion of such Tract in the Unit Area, and

(ii) 75% of the combined voting interests of Working Interest Owners in all Tracts meeting the requirements of Section 14(a) and 14(b) have voted in favor of the inclusion of such Tract and acceptance of the indemnity agreement.

For the purpose of this Section 14(c), a Working Interest Owner's "voting interest" shall be equal to the ratio (expressed in per cent) which its aggregate Unit Participation in all Tracts qualifying under Section 14(a) and 14(b) bears to the total Unit Participation of all Working Interest Owners in all Tracts qualifying under Section 14(a) and 14(b) as such Unit Participation is set out in Exhibit "C-2". Upon the inclusion of such a Tract in the Unit Area, the Unit Participation that would have been attributed to the nonsubscribing owners of the Working Interest in such Tract, had they become

same proportions, and upon the same conditions, as they would have participated and shared in the production from such Tract, or in the proceeds thereof, had this agreement not been entered into, and with the same legal force and effect.

No Tract committed to this agreement and qualified for participation as above provided shall be subsequently excluded from participation hereunder on account of depletion of Unitized Substances from such Tract.

If the Working Interest or the Royalty Interest in any Tract is, on or after the effective date hereof, divided with respect to separate parcels or portions of such Tract and owned severally by different persons, the Tract Participation assigned to such Tract shall, in the absence of a recordable instrument executed by all owners and furnished to Unit Operator fixing the divisions of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

The Unitized Substances allocated to each Tract shall be delivered in kind to the respective Working Interest Owners and parties entitled thereto by virtue of the ownership of oil and gas rights therein or by purchase from such owners. Each Working Interest Owner and the parties entitled thereto shall have the continuing right to receive such production in kind at a common point within the Unit Area and to sell or dispose of the same as it sees fit. Each such party shall have the right to construct, maintain and operate all necessary facilities for that purpose on the Unit Area, provided the same are so constructed, maintained and operated as not to interfere with operations carried on pursuant hereto or with operations upon or with regard to formations other than the Unitized Formation conducted within the Unitized Area. Subject to Section 16 hereof, any extra expenditure incurred by Unit Operator by reason of the delivery in kind of any portion of the Unitized Substances shall be borne by the party receiving the same in kind.

If any party fails to take in kind or separately dispose of its share of Unitized Substances, Unit Operator shall have the right, for the time being and subject to revocation at will by the party owning the share, to purchase for its own account or sell to others such share; provided that, all contracts of sale by Unit Operator of any other party's share of Unitized Substances shall be only for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but in no event shall any such contract be for a period in excess of one year. The proceeds of the Unitized Substances so disposed of by Unit Operator shall be paid to the party entitled thereto.

Any party receiving in kind or separately disposing of all or any part of the Unitized Substances allocated to any Tract, or receiving the proceeds therefrom if the same is sold or purchased by Unit Operator, shall be responsible for the payment of all Royalty on the lease or leases and Tracts contributed by it and received into the Unit, and each such party shall hold each other party hereto harmless against all claims, demands and causes of action for such Royalty on the lease or leases and Tracts contributed by it and received into the Unit Area.

SECTION 16. ROYALTY SETTLEMENT: The United States and the State of New Mexico and all Royalty Owners who, under existing contracts, are entitled to take in kind a share of the substances produced from any Tract unitized hereunder, shall hereafter be entitled to take in kind their share of the Unitized Substances allocated to such Tract, and Unit Operator shall make deliveries of such Royalty share taken in kind in conformity with the applicable contracts, laws and regulations. Settlement for Royalty Interests not taken in kind shall be made by Working Interest Owners responsible therefor under existing contracts, laws and regulations, on or before the last day of each month for Unitized Substances produced during the preceding calendar month; provided, however, that nothing herein

contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any Royalty due under their leases, except that such Royalty shall be computed in accordance with the terms of this Unit Agreement.

If gas obtained from lands not subject to this agreement is introduced into the Unitized Formation for use in repressuring, stimulation of production or increasing ultimate recovery in conformity with a plan approved pursuant to Section 11 (Plan of Operations), a like amount of gas, less appropriate deductions for loss from any cause, may be withdrawn from the Unitized Formation, Royalty free as to dry gas but not as to the products extracted therefrom; provided, that such withdrawal shall be pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner; and, provided further, that such right of withdrawal shall terminate on the termination of this agreement. If liquefied petroleum gases obtained from lands or formations not subject to this agreement be injected into the Unitized Formation for the purpose of increasing ultimate recovery, part or all of such liquefied petroleum gases may be withdrawn Royalty free pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner.

Royalty due the United States shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all Unitized Substances on the basis of the amounts thereof allocated to unitized Federal land as provided herein at the rate specified in the respective Federal leases or at such lower rate or rates as may be authorized by law or regulation; provided, that for leases on which the royalty rate depends on the daily average production per well, such average production shall be determined in accordance with the operating regulations as though the unitized lands were one lease.

Royalty due on account of State and fee lands shall be computed and paid on the basis of all Unitized Substances allocated to such lands.

SECTION 17. RENTAL SETTLEMENT: Rentals or minimum royalties due on leases committed hereto shall be paid by Working Interest Owners responsible therefor under existing contracts, laws and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof due under their leases. Rental for lands of the State of New Mexico subject to this agreement shall be paid at the rate specified in the respective leases from the State of New Mexico. Rental or minimum royalty for lands of the United States of America subject to this agreement shall be paid at the rate specified in the respective leases from the United States of America, unless rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

SECTION 18. CONSERVATION: Operations hereunder and production of Unitized Substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to Federal and State laws and regulations.

SECTION 19. DRAINAGE: The Unit Operator shall take appropriate and adequate measures to prevent drainage of Unitized Substances from unitized land by wells on land not subject to this agreement.

SECTION 20. LEASES AND CONTRACTS CONFORMED AND EXTENDED: The terms, conditions and provisions of all leases, subleases and other contracts relating to exploration, drilling, development or operation for oil or gas on lands committed to this agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in

full force and effect, and the parties hereto hereby consent that the Secretary and the Commissioner, respectively, shall and by their approval hereof or by the approval hereof by their duly authorized representatives, do hereby establish, alter, change or revoke the drilling, producing, rental, minimum royalty and royalty requirements of Federal and State leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this agreement.

Without limiting the generality of the foregoing, all leases, subleases and contracts are particularly modified in accordance with the following:

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

(b) Drilling, producing or secondary recovery operations performed hereunder upon any Tract of unitized land shall be accepted and deemed to be performed upon and for the benefit of each and every Tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on land therein embraced.

(c) Suspension of drilling or producing operations on all unitized land pursuant to direction or consent of the Commissioner and the Supervisor or their duly authorized representatives, shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every Tract of unitized land.

(d) Each lease, sublease, or contract relating to the exploration, drilling, development or operation for oil and gas which by its terms might expire prior to the termination of this agreement, is hereby extended beyond any such term so provided therein, so that it shall be continued in full force and effect for and during the term of this agreement.

(e) Any Federal lease for a fixed term of twenty (20) years or any renewal thereof or any part of such lease which is made subject to this agreement shall continue in force beyond the term provided therein until the termination hereof. Any other Federal lease committed hereto shall continue in force beyond the term so provided therein or by law as to the committed land so long as such land remains committed hereto, or in the event actual drilling operations are commenced on unitized land, in accordance with the provisions of this agreement, prior to the end of the primary

term of such lease and are being diligently prosecuted at that time, such lease shall be extended for two (2) years and so long thereafter as oil or gas is produced in paying quantities in accordance with the provisions of the Mineral Leasing Act (Revision of 1960).

(f) Any lease embracing lands of the State of New Mexico which is made subject to this agreement shall continue in force beyond the term provided therein as to the lands committed hereto until the termination hereof.

(g) Any lease embracing lands of the State of New Mexico having only a portion of its land committed hereto, shall be segregated as to that portion committed and that not committed, and the terms of such lease shall apply separately to such segregated portions commencing as of the effective date hereof; provided, however, that notwithstanding any of the provisions of this agreement to the contrary, such lease shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease if oil or gas is, or has heretofore been, discovered in paying quantities on some part of the lands embraced in such lease committed to this agreement or, so long as a portion of the Unitized Substances produced from the Unit Area is, under the terms of this agreement, allocated to the portion of the lands covered by such lease committed to this agreement, or at any time during the term hereof, as to any lease that is then valid and subsisting and upon which the lessee or the Unit Operator is then engaged in bona fide drilling, reworking, or secondary recovery operations on any part of the lands embraced in such lease, then the same as to all lands embraced therein shall remain in full force and effect so long as such operations are diligently prosecuted, and if they result in the production of oil or gas, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as oil or gas in paying quantities is being produced from any portion of said lands.

(h) The segregation of any Federal lease committed to this agreement is governed by the following provision in the fourth paragraph of Sec. 17(j) of the Mineral Leasing Act, as amended by the Act of September 2, 1960 (74 Stat. 781-784): "Any [Federal] lease heretofore or hereafter committed to any such [unit] plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: Provided, however, That any such lease as to the nonunitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities."

SECTION 21. COVENANTS RUN WITH LAND: The covenants herein shall be construed to be covenants running with the land with respect to the interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges

and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any Working Interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument of transfer; and no assignment or transfer of any Royalty Interest subject hereto shall be binding upon the Working Interest Owner responsible therefor until the first day of the calendar month after said Working Interest Owner is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument of transfer.

SECTION 22. EFFECTIVE DATE AND TERM: This agreement shall become binding upon each party who executes or ratifies it as of the date of execution or ratification by such party and shall become effective as of 7:00 a.m. of the first day of the month next following:

(a) The execution or ratification of this agreement and the Unit Operating Agreement by Working Interest Owners owning a combined Unit Participation of at least 85 per cent, and the execution or ratification of this agreement by Royalty Owners owning a combined interest of at least 70 per cent of the Royalty Interest in said Unit Area; and

(b) The approval of this agreement by the Commissioner and the Commission; and

(c) The filing of at least one counterpart of this agreement for record in the office of the County Clerk of Lea County, New Mexico, by the Unit Operator;

and provided, further, that if (a), (b) and (c) above are not accomplished on or before July 1, 1963, this agreement shall terminate ipso facto on said date (hereinafter called "termination date") and thereafter be of no further force or effect, unless prior thereto this agreement has been executed or ratified by Working Interest Owners owning a combined Unit Participation of at least eighty per cent (80%), and the Working Interest Owners owning a combined Unit Participation of at least eighty per cent (80%) committed to this

agreement have decided to extend said termination date for a period not to exceed one (1) year (hereinafter called "extended termination date"). If said termination date is so extended and (a), (b) and (c) are not accomplished on or before said extended termination date, this agreement shall terminate ipso facto on said extended termination date and thereafter be of no further force or effect. For the purpose of this Section, ownership shall be computed on the basis of Unit Participation as determined from Exhibit "C-2" attached hereto.

Unit Operator shall, within thirty (30) days after the effective date of this agreement, file for record in the office where a counterpart of this agreement is recorded, a certificate to the effect that this agreement has become effective according to its terms and stating further the effective date.

The term of this agreement shall be for and during the time that Unitized Substances are produced in paying quantities from the Unit Area and as long thereafter as drilling, reworking or other operations (including secondary recovery operations) are prosecuted thereon without cessation of more than ninety (90) consecutive days, unless sooner terminated by Working Interest Owners in the manner hereinafter provided.

This agreement may be terminated with the approval of the Commissioner and the Director by Working Interest Owners owning at least ninety (90) per cent Unit Participation, as shown on Exhibit "C-2", whenever such Working Interest Owners determine that Unit operations are no longer profitable, feasible or in the interest of conservation. Notice of such termination shall be given by Unit Operator to all parties hereto.

Upon termination of this agreement, the further development and operation of the Unit Area as a Unit shall be abandoned, Unit operations shall cease, and thereafter the parties hereto shall be governed by the terms and provisions of the leases and contracts affecting the separate tracts.

Unit Operator shall, within thirty (30) days after the termination date of this agreement, file for record in the office where a counterpart of this agreement is recorded, a certificate to the effect that this agreement has terminated according to its terms and stating further the termination date.

If not otherwise covered by the leases unitized under this agreement, Royalty Owners hereby grant Working Interest Owners a period of six (6) months after termination of this agreement in which to salvage, sell, distribute or otherwise dispose of the personal property and facilities used in connection with Unit operations.

SECTION 23. NONDISCRIMINATION: In connection with the performance of work under this agreement, Unit Operator agrees to comply with all of the provisions of Section 301(1) to (7) inclusive, of Executive Order 10925 (26 F.R. 1977), which are incorporated by reference in this agreement.

SECTION 24. APPEARANCES: Unit Operator shall have the right to appear for or on behalf of any and all interests affected hereby before the Commissioner, the Department, and the Commission, and to appeal from any order issued under the rules and regulations of the Commissioner, the Department, or the Commission, or to apply for relief from any of said rules and regulations or in any proceedings relative to operations before the Commissioner, the Department, or the Commission, or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his or its own expense to be heard in any such proceedings.

SECTION 25. NOTICES: All notices, demands, objections or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if made in writing and personally delivered to the party or parties or sent by postpaid certified mail addressed to such party or parties at their respective addresses set forth in connection with the signatures hereto or to the

calendar month in which the failure of title is finally determined; provided, however, that no such Tract shall be so removed from the Unit Area if said Tract can be requalified for admission under Section 14 within ninety (90) days after the date on which such title failure was finally determined. If any such Tract cannot be so requalified, Unit Operator shall recompute the Tract Participation of each Tract remaining in the Unit Area using the basis of computation prescribed in Section 13 of this agreement. Thereafter, Unit Operator shall revise Exhibit "A" so as to depict thereon only those Tracts which then qualify for inclusion within the Unit Area and shall, likewise, revise Exhibits "B", "C-1" and "C-2" conformably. Each such revised exhibit shall be effective at 7:00 a.m. on the first day of the calendar month in which such failure of title is finally determined.

If title to a Working Interest fails, the rights and obligations of Working Interest Owners by reason of such failure shall be governed by the Unit Operating Agreement. If title to a Royalty Interest fails, but the Tract to which it relates is not removed from the Unit Area, the party whose title failed shall not be entitled to participate hereunder insofar as its participation is based on such lost Royalty Interest.

In the event of a dispute as to the title to any Working or Royalty Interest subject hereto, payment or delivery on account thereof may be withheld without liability or interest until the dispute is finally settled; provided, that as to State or Federal land or leases, no payments of funds due the State of New Mexico or the United States of America shall be withheld, but such funds shall be deposited as directed by the Commissioner or the Supervisor (as the case may be), to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

Unit Operator, as such, is relieved from any responsibility for any defect or failure of any title hereunder.

SECTION 29. COUNTERPARTS: This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties and 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 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.

SECTION 30. JOINDER IN DUAL CAPACITY: Execution as herein provided by any party either as a Working Interest Owner or as a Royalty Owner shall commit all interests that may be owned or controlled by such party.

SECTION 31. TAXES: Each party hereto shall, for its own account, render and pay its share of any taxes levied against or measured by the amount or value of the Unitized Substances produced from the unitized land; provided, however, that if it is required or if it be determined that the Unit Operator or the several Working Interest Owners must pay or advance said taxes for the account of the parties hereto, it is hereby expressly agreed that the parties so paying or advancing said taxes shall be reimbursed therefor by the parties hereto, including Royalty Owners, who may be responsible for the taxes on their respective allocated share of said Unitized Substances. No such taxes shall be charged to the United States or to the State of New Mexico, or to any lessor who has a contract with a lessee which requires his lessee to pay such taxes.

SECTION 32. CONFLICT OF SUPERVISION: Neither the Unit Operator nor the Working Interest Owners, nor any of them, shall be subject to any forfeiture, termination or expiration of any rights hereunder or under any leases or contracts subject hereto, or to any penalty

or liability on account of delay or failure in whole or in part to comply with any applicable provisions thereof to the extent that the said Unit Operator or the Working Interest Owners, or any of them, are hindered, delayed or prevented from complying therewith by reason of failure of the Unit Operator to obtain, in the exercise of due diligence, the concurrence of proper representatives of the United States and proper representatives of the State of New Mexico in and about any matters or things concerning which it is required herein that such concurrence be obtained.

SECTION 33. LIMITATION OF APPROVALS: Notwithstanding anything herein contained to the contrary, if no Federal lands are committed to this agreement, then no consents or approvals provided herein shall be required of the Department, the Secretary, the Director, or the Supervisor, and it shall not be necessary to file any instrument hereunder with said officers or agencies unless and until Federal lands are so committed to this agreement; likewise, if no State lands are committed to this agreement, then no consents or approvals provided herein shall be required of the Commissioner, and it shall not be necessary to file any instrument hereunder with said officer unless and until State lands are so committed to this agreement.

SECTION 34. BORDER AGREEMENTS: Unit Operator, with concurrence of 65 per cent of the voting interest of the Working Interest Owners (based upon Unit Participation as set out in Exhibit "C-2"), may enter into a border-protection agreement or agreements with the working interest owners of adjacent lands along the exterior boundary of the Unit Area with respect to the operations in the border area for the maximum ultimate recovery, conservation purposes and proper protection of the parties and interests.

SECTION 35. CREATION OF NEW INTEREST: If any Working Interest Owner shall, after having executed this agreement, create any overriding royalty, production payment or other similar interest (such

interest so created being termed a "New Interest") out of its interest which has been made subject to this agreement, such New Interest shall be subject to all of the terms and provisions of this agreement and to Section 17.2 of the Unit Operating Agreement.

SECTION 36. PERSONAL PROPERTY EXCEPTED: All lease and well equipment, materials, and other facilities heretofore or hereafter placed by any of the Working Interest Owners on the lands covered hereby shall be deemed to be and shall remain personal property belonging to and may be removed by the Working Interest Owners. The rights and interests therein as among Working Interest Owners are covered by the Unit Operating Agreement.

SECTION 37. NO PARTNERSHIP: The duties, obligations, and liabilities of the parties hereto are intended to be several and not joint or collective. This agreement is not intended to create, and shall not be construed to create, an association or trust, or to impose a partnership duty, obligation, or liability with regard to any one or more of the parties hereto. Each party hereto shall be individually responsible for its own obligations as herein provided.

SECTION 38. OIL RESERVATION AGREEMENT: Notwithstanding any other provisions of this agreement to the contrary, each Working Interest Owner reserves unto itself and expressly excepts from the provisions and effect of this agreement, the oil payment or oil payments applicable to the Unitized Substances specified for such Working Interest Owner in the Oil Reservation Agreement executed by the Working Interest Owners concurrently herewith, subject, however, to the provisions and terms of said Oil Reservation Agreement. It is further understood and agreed, however, that the rights and interests of Royalty Owners, as set out herein, shall in no manner be affected or altered by such reservations and exceptions by Working Interest Owners or by the provisions and terms of said Oil Reservation Agreement.

SECTION 39. LIEN OF UNIT OPERATOR: Unit Operator shall have a lien upon the interests of Working Interest Owners in the Unit Area to the extent provided in the Unit Operating Agreement.

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

ATTEST:

Assistant Secretary

Date: _____

SKELLY OIL COMPANY

Appvd. as to
form: *Carla*

By _____
Vice President

P. O. Box 1650
Tulsa, Oklahoma

UNIT OPERATOR AND WORKING
INTEREST OWNER

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

AMERADA PETROLEUM CORPORATION

By _____
President

Glenn B. Chadwick

M. T. Johnson

F. M. Late, D/B/A Late
Oil Company

Margaret Strain Mallard

ATTEST:

Secretary

Date: _____

E. F. MOFAN, INC.

By _____
President

ATTEST:

Secretary

Date: _____

ATTEST:

Secretary

Date: _____

Date: _____

ATTEST:

Secretary

Date: _____

ATTEST:

Secretary

Date: _____

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

ATTEST:

Secretary

Date: _____

PAN AMERICAN PETROLEUM CORPORATION

By _____
President

PHILLIPS PETROLEUM COMPANY

By _____
President

E. G. Rodman

RODMAN-NOEL OIL CORPORATION

By _____
President

SINCLAIR OIL & GAS COMPANY

By _____
President

SOCONY MOBIL OIL COMPANY, INC.

By _____
President

Charles Hunter Strain

Clara M. Strain

SUNRAY MID-CONTINENT OIL COMPANY

By _____
President

ATTEST:

Secretary

Date: _____

Date: _____

TIDEWATER OIL COMPANY

By _____
President

Fred Turner, Jr.

ATTEST:

Secretary

Date: _____

UNITED PRODUCING COMPANY, INC.

By _____
President

ATTEST:

Secretary

Date: _____

UNION SUPPLY COMPANY

By _____
President

ATTEST:

Secretary

Date: _____

By _____
President

ATTEST:

Secretary

Date: _____

By _____
President

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

DATE: _____

ROYALTY OWNERS

STATE OF OKLAHOMA)
COUNTY OF TULSA) SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

My commission expires: _____

Notary Public

STATE OF _____)
COUNTY OF _____) SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of AMERADA PETROLEUM CORPORATION, a _____ corporation, on behalf of said corporation.

My commission expires: _____

Notary Public

STATE OF _____)
COUNTY OF _____) SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by GLENN B. CHADWICK.

My commission expires: _____

Notary Public

STATE OF _____)
COUNTY OF _____) SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by M. T. JOHNSON.

My commission expires: _____

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by F. M. LATE, doing business as Late Oil Company.

My commission expires: _____

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by MARGARET STRAIN MALLARD.

My commission expires: _____

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of E. F. MORAN, INC., a _____ corporation, on behalf of said corporation.

My commission expires: _____

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of PAN AMERICAN PETROLEUM CORPORATION, a _____ corporation, on behalf of said corporation.

My commission expires: _____

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of PHILLIPS PETROLEUM COMPANY, a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by E. G. RODMAN.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of RODMAN-NOEL OIL CORPORATION, a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of SINCLAIR OIL & GAS COMPANY, a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____
day of _____, 1962, by _____
President of SOCONY MOBIL OIL COMPANY, INC., a _____
corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____
day of _____, 1962, by CHARLES HUNTER STRAIN.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____
day of _____, 1962, by CLARA M. STRAIN.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____
day of _____, 1962, by _____
President of SUNRAY MID-CONTINENT OIL COMPANY, a _____
corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of TIDEWATER OIL COMPANY, a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by FRED TURNER, JR.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of UNITED PRODUCING COMPANY, INC., a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this _____ day of _____, 1962, by _____, President of UNION SUPPLY COMPANY, a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this ____ day
of _____, 1962, by _____.

My commission expires:

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this ____ day
of _____, 1962, by _____.

My commission expires:

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this ____ day
of _____, 1962, by _____ and _____
_____, his wife.

My commission expires:

Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this ____ day
of _____, 1962, by _____ and
_____, his wife.

My commission expires:

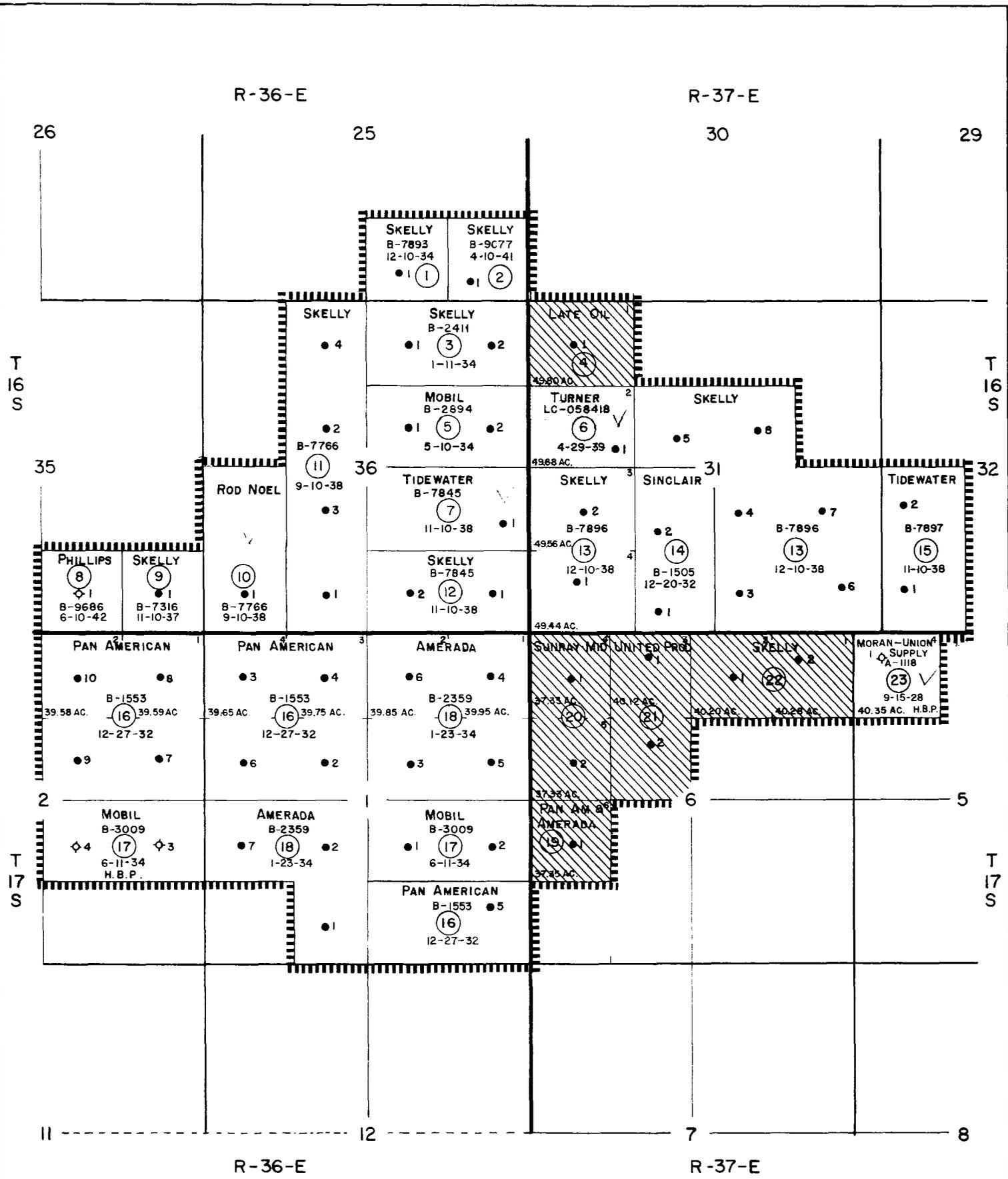
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS

The foregoing instrument was acknowledged before me this ____ day
of _____, 1962, by _____,
President of _____, a _____ corporation,
on behalf of said corporation.

My commission expires:

Notary Public

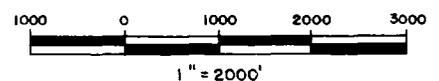


LOVINGTON SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO
 EXHIBIT "A"

LEGEND

- UNIT AREA
- STATE LANDS
- FEDERAL LANDS
- DIAGONAL SHADING FEE LANDS
- ① TRACT NO.

SCALE



<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Serial No. & Date of Lease or Application</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest Percent</u>
<u>STATE LANDS</u>							
<u>T16S-R36E</u>							
1	Sec. 25 SW/4 SE/4	40	B-7893 12-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly 100%
<u>T16S-R36E</u>							
2	Sec. 25 SE/4 SE/4	40	B-9077 4-10-41 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly 100%
<u>T16S-R36E</u>							
3	Sec. 36 N/2 NE/4	80	B-2411 1-11-34 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly 100%
<u>T16S-R36E</u>							
5	Sec. 36 S/2 NE/4	80	B-2894 5-10-34 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Socony Mobil Oil Co, Inc.	None	Socony 100%
<u>T16S-R36E</u>							
7	Sec. 36 N/2 SE/4	80	B-7845 11-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Tidewater Oil Company	None	Tidewater 100%
<u>T16S-R36E</u>							
8	Sec. 35 SW/4 SE/4	40	B-9686 6-10-42	State of New Mexico 12 $\frac{1}{2}$ %	Phillips Petroleum Company	None	Phillip Company 100%

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Serial No. & Date of Lease or Application</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest and Percentage</u>
<u>STATE LANDS (cont)</u>							
<u>TL6S-R36E</u>							
9	Sec. 35 SE/4 SE/4	40	B-7316 11-10-37 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly Oil Com 100%
<u>TL6S-R36E</u>							
10	Sec. 36 SW/4 SW/4 NW/4 SW/4	80	B-7766 9-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	E. G. Rodman Rodman-Noel Oil Corp.	None	E. G. Rodman 23.4375% Rodman-Noel Oi 70.3125% M. T. Johnson 6.2500%
<u>TL6S-R36E</u>							
11	Sec. 36 E/2 W/2	160	B-7766 9-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly Oil Com 100%
<u>TL6S-R36E</u>							
12	Sec. 36 S/2 SE/4	80	B-7845 11-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly Oil Com 100%
<u>TL6S-R37E</u>							
13	Sec. 31 Lots 3 & 4, SE/4 NW/4, SW/4 NE/4, SE/4	339	B-7896 12-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Skelly Oil Company	None	Skelly Oil Com 100%

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Serial No. & Date of Lease or Application</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest and Percentage</u>
<u>STATE LANDS (cont)</u>							
<u>T16S-R37E</u>							
14	Sec. 31 E/2 SW/4	80	B-1505 12-20-32 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Sinclair Oil & Gas Company	None	Sinclair Oil & Gas Company 100%
<u>T16S-R37E</u>							
15	Sec. 32 W/2 SW/4	80	B-7897 11-10-38 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Tide Water Associated Oil Company	None	Tidewater Oil Co 100%
<u>T17S-R36E</u>							
16	Sec. 1 S/2 SE/4 Lots 3 & 4, and SE/4 NW/4, SW/4 NW/4, and NE/4	398.57	B-1553 12-27-32 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Pan American Petroleum Corporation	None	Pan American Pet Corporation 100%
<u>T17S-R36E</u>							
17	Sec. 1 N/2 SE/4, and Sec. 2 N/2 SE/4	160	B-3009 6-11-34 H.B.P.	State of New Mexico 12 $\frac{1}{2}$ %	Socoyn Mobil Oil Co., Inc.	None	Socoyn Mobil Oil 100%

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Serial No. & Date of Lease or Application</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>World Inter Percent</u>
<u>STATE LANDS (con't)</u>							
<u>T17S-R36E</u>							
16	Sec. 1 Lots 1 & 2, S/2 NE/4, N/2 SW/4, SE/4 SW/4	279.80	B-2359 1-23-34 H.B.P.	State of New Mexico 12 1/2%	Amerada Petroleum Corporation	None	Amerada Corpo 100%
<u>T17S-R37E</u>							
23	Sec. 5 NW/4 NW/4	40.35	A-1118 9-15-28 H.B.P.	State of New Mexico 12 1/2%	Shell Oil Company	Shell Oil Company 1/8 of 7/8 above 30 bbls. oil per day; 1/16 of 7/8 below 30 bbls. oil per day; 1/8 of 7/8 of all gas.	E. F. 50% Union 50%

Seventeen (17) State of New Mexico Tracts containing 2097.72 acres or 94.5

<u>Tract Number</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Date of Lease</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty & Percentage</u>	<u>Working Interest & Percentage</u>
<u>FREE LANDS</u>							
<u>2168-337E</u>							
4	Sec. 31; Lot 1	49.80					
			11-17-43	C. E. Byers .0002174	N. B. Garner	Kaercher Company .0078125	F. W. Tate, D/3/A Le 61.1043
			4- 1-44	Mary L. Carson .0062500	N. B. Garner	Roswell Securities Co. .0312500	Clara Margaret Strain 19.09700
			4- 1-44	Glen Chadwick .0008694	N. B. Garner	Harriet Savage .0156250	Charles Hunter Strain 9.54850
			4- 1-44	George H. Coates .0034722	N. B. Garner	Eli Dibblell .0078125	Margaret Strain Yell 9.54850
			4- 1-44	C. O. Drew .0069445	N. B. Garner		Glen Chadwick 0.69557
			4- 1-44	Felmont Oil Corp. .0184027	N. B. Garner		
			11-10-44	J. D. Graham, Jr. .0062500	N. B. Garner		
			2- 1-45	Mason Graham .0062500	N. B. Garner		
			4- 1-44		N. B. Garner		
			1-11-45		N. B. Garner		
				H. B. F.			
				R. G. Anderson .0023148			
				D. P. Dean .0104167			
				Ruth Graham .0062500			
				Delworth Hager .0069445			
				Richard F. Hare .0052083			
				The Home-Stake Royalty Corp. .0021736			
				Jeb Oil Company .0138889			

<u>Tract Number</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Date of Lease</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty & Percentage</u>	<u>Working Interest & Percentage</u>
				J. S. Noland .0034666			
				Edna Pryor .0062500			
				Soho Petroleum Company .0138889			
				Kirke C. Veeder .0002174			
				R. W. Viersen .0046296			
				R. H. Woods .0006945			

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Date of Lease</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest</u>
<u>FEE LANDS (con't)</u>							
<u>T17S-R36E</u>							
19	Sec. 6 Lot 6	37.35	9-29-38 H.B.P.	Mary Elizabeth Caylor .0472890 Howard Chamlee .0059565 Skelly Oil Company .0078125 Deen Williams .0135015 Ross L. Malone, Jr. Executor of Estate of Frank J. Danglade, Deceased .0234375 First National Bank, Midland, Texas, Trustee for Trust No. 204 .0135015 J. S. Noland .0135015	Frank J. Danglade	None	Amerada Corpor 50% Pan Ar Corpor 50%
<u>T17S-R37E</u>							
20	Sec. 6 Lots 4 & 5 (W/2 NW/4)	74.66	4-28-38 H.B.P.	Amerada Petroleum Company .0234375 R. S. Anderson .0039062 J. M. Armstrong .0048828 Estate of C. S. Caylor, Deceased .0078125 Walter B. Collins .0039063 J. E. Green .0019531 Charles J. Hoffman .0019531 Sarah A. Iank .0039063	Skelly Oil Company	None	Sunray Oil Co 100%

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Date of Lease</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest and Percentage</u>
------------------	--------------------	---------------------	----------------------	---------------------------------------	-------------------------	--	--

FEE LANDS (cont.)

Ross I. Malone, Jr., Executor of the Estate of Frank J. Danglede, Deceased
 .0078125
 Roger B. Owings
 .0019531
 Skelly Oil Company
 .0234375
 Southland Royalty Company
 .0273438
 The William K. Warren Foundation
 .0019531
 R. E. & R. F. Wertz, Co-Trustees of Trust Created Under Will of Cora Cox Wertz, Deceased
 .0058594
 W. A. Yeager
 .0048828

T17S-R37E

21 Sec. 6
 Lot 3, and
 SE/4 NW/4

80.12 4-28-38
 H.B.P.

Amerada Petroleum Corporation
 .0234375
 R. S. Anderson
 .0039063
 J. M. Armstrong
 .0048825
 Thula M. Caylor, Execx.
 .0078125
 Walter B. Collins
 .0039062
 J. E. Green
 .0019525
 Charles J. Hoffman
 .0019537
 L. C. Link
 .0039063

Skelly Oil Company

None

United Product
 100%

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Date of Lease</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest a Percentage</u>
<u>FEE LANDS (cont)</u>							

Ross L. Malone, Jr., Exec. of
Estate of Frank J. Danglade
.0078125
Roger B. Owings
.0019525
Skelly Oil Company
.0234375
Southland Royalty Company
.0273438
The William K. Warren
Foundation
.0019537
Royal F. Wertz and Ralph E.
Wertz, Jr., Exec. for Estate
of Cora Cox Wertz, Deceased
.0058600
W. A. Yeager
.0048825

EE 7S-R37E

22 Sec. 6 80.48 4-28-38
Lots 1 & 2 H.B.P.

Amerada Petroleum Corporation 24/128 Skelly Oil Company None Skelly Oil
J. M. Armstrong 5/128 100%
Thula M. Gaylor, Exec. 8/128
F. J. Danglade 8/128
I. C. Link (Deceased) 4/128
Roger B. Owings, Special 2/128
Skelly Oil Company 24/128
Southland Royalty Company 28/128

<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Date of Lease</u>	<u>Basic Royalty & Percentage</u>	<u>Lessee of Record</u>	<u>Overriding Royalty and Percentage</u>	<u>Working Interest and Percentage</u>
<u>FEE LANDS (con't)</u>							
	Ralph F. Wertz, Jr. and Royal F. Wertz, Executors of the Estate of Cora Cox						
	Wertz, Deceased						
	6/128						
	W. A. Yeager						
	5/128						
	Charles J. Hoffman						
	2/128						
	Walter B. Collins						
	4/128						
	R. S. Anderson						
	4/128						
	The William K. Warren Foundation						
	2/128						
	J. E. Green						
	2/128						

Five (5) Fee Tracts containing 322.41 acres or 13.0540% of the Unit Area

<u>Livingston San Andres Unit Area Total:</u>			
1 Federal Tract	49.68 Acres	2.0115%	
17 State of New Mexico Tracts	2097.72 Acres	84.9345%	
5 Fee Tracts	322.41 Acres	13.0540%	
Total	2469.81	100.0000%	

EXHIBIT "C-1" PART I
 SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
 LOVINGTON SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO

<u>Tract Number</u>	<u>Description</u>	<u>Serial No. and Date of Lease or Application</u>	<u>Phase I Per Cent Tract Participation</u>
		<u>Federal Lands</u>	
6	<u>T16S-R37E:</u> Sec. 31; Lot 2	LC-058418 4-24-39 H.B.P.	0.6013
		<u>State Lands</u>	
1	<u>T16S-R36E:</u> Sec. 25; SW/4 SE/4	B-7895 12-10-38 H.B.P.	0.5841
2	<u>T16S-R36E:</u> Sec. 25; SE/4 SE/4	B-9077 4-10-41 H.B.P.	0.6037
3	<u>T16S-R36E:</u> Sec. 36; N/2 NE/4	B-2411 1-11-34 H.B.P.	3.4037
5	<u>T16S-R36E:</u> Sec. 36; S/2 NE/4	B-289A 5-10-34 H.B.P.	1.3790
7	<u>T16S-R36E:</u> Sec. 36; N/2 SE/4	B-7845 11-10-38 H.B.P.	0.7072
8	<u>T16S-R36E:</u> Sec. 35; SW/4 SE/4	B-9686 6-10-42	0.0191
9	<u>T16S-R36E:</u> Sec. 35; SE/4 SE/4	B-7316 11-10-37 H.B.P.	1.6925
10	<u>T16S-R36E:</u> Sec. 36; SW/4 SW/4	B-7766 9-10-38 H.B.P.	0.8372
11	<u>T16S-R36E:</u> Sec. 36; E/2 W/2	B-7766 9-10-38 H.B.P.	5.6312
12	<u>T16S-R36E:</u> Sec. 36; S/2 SE/4	B-7845 11-10-38 H.B.P.	4.7405
13	<u>T16S-R37E:</u> Sec. 31; Lots 3&4; SE/4 NW/4; SW/4 NE/4; SE/4	B-7895 12-10-38 H.B.P.	18.9935

State Lands (Continued)

Part 1

14	<u>T16S-R37E:</u> Sec. 31; E/2 SW/4	B-1505 12-20-32 H.B.P.	2.8418
15	<u>T16S-R37E:</u> Sec. 32; W/2 SW/4	B-7897 11-10-38 H.B.P.	1.0840
16	<u>T17S-R36E:</u> Sec. 1; S/2 SE/4 Lots 3&4 SE/4 NW/4; SW/4 NW/4 Sec. 2; Lots 1&2; S/2 NE/4	B-1553 12-27-32 H.B.P.	18.8769
17	<u>T17S-R36E:</u> Sec. 1; N/2 SE/4 Sec. 2; N/2 SE/4	B-3009 6-11-34 H.B.P.	4.6664
18	<u>T17S-R36E:</u> Sec. 1; Lots 1&2; S/2 NE/4; N/2 SW/4; SE/4 SW/4	B-2359 1-23-34 H.B.P.	19.1597
23	<u>T17S-R37E:</u> Sec. 5; Lot 4	A-1118 9-15-28 H.B.P.	0.0271

Fee Lands

4	<u>T16S-R37E:</u> Sec. 31; Lot 1	11-17-43 4-1 -44 11-10-44 2-1 -45 1-11-45 H.B.P.	1.1851
19	<u>T17S-R36E:</u> Sec. 6; Lot 6	9-29-38 H.B.P.	0.0983
20	<u>T17S-R37E:</u> Sec. 6; Lots 4&5(W/2 NW/4)	4-28-38 H.B.P.	4.1337
21	<u>T17S-R37E:</u> Sec. 6; Lot 3, SE/4 NW/4	4-28-38 H.B.P.	4.4387
22	<u>T17S-R37E:</u> Sec. 6; Lots 1&2	4-28-38 H.B.P.	4.2953

EXHIBIT "C-1" PART II
 SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
 LOVINGTON SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO

Working Interest Owner	Unit Tract No.	Phase I Percent. Participation in Unit	Phase I Percent. Participation-Total
Amerada Petroleum Corporation	18	19.1597	
	19	0.0491	19.2088
Glenn B. Chadwick	4	0.0082	0.0082
M. T. Johnson	10	0.0523	0.0523
F. M. Late, D/B/A Late Oil Company	4	0.7242	0.7242
Margaret Strain Mallard	4	0.1132	0.1132
Socony Mobil Oil Co., Inc.	5	1.3790	
	17	4.6664	6.0454
E. F. Moran, Inc.	23	0.01355	0.01355
Pan American Petroleum Corporation	16	18.8769	
	19	0.0492	18.9261
Phillips Petroleum Company	8	0.0191	0.0191
E. G. Rodman	10	0.1962	0.1962
Rodman-Noel Oil Corporation	10	0.5887	0.5887
Sinclair Oil & Gas Company	14	2.8418	2.8418
Skelly Oil Company	1	0.5841	
	2	0.6037	
	3	3.4037	
	9	1.6925	
	11	5.6312	
	12	4.7405	
	13	18.9935	
	22	4.2953	39.9445
Charles Hunter Strain	4	0.1132	0.1132
Clara M. Strain	4	0.2263	0.2263
Sunray Mid-Continent Oil Company	20	4.1337	4.1337
Tidewater Oil Company	7	0.7072	
	15	1.0840	1.7912
Fred Turner, Jr.	6	0.6013	0.6013
United Producing Company, Inc.	21	4.4387	4.4387
Union Supply Company	23	.01355	.01355
		100.0000	100.0000

EXHIBIT "C-2" PART I
 SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
 LOVINGTON SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO

<u>Tract Number</u>	<u>Description</u>	<u>Serial No. and Date of Lease or Application</u>	<u>Phase II Per Cent Tract Participation</u>
<u>Federal Lands</u>			
6	<u>T16S-R37E:</u> Sec. 31; Lot 2	LC-058418 4-24-39 H.B.P.	1.1225
<u>State Lands</u>			
1	<u>T16S-R36E:</u> Sec. 25; SW/4 SE/4	B-7895 12-10-38 H.B.P.	0.8676
2	<u>T16S-R36E:</u> Sec. 25; SE/4 SE/4	B-9077 4-10-41 H.B.P.	0.5806
3	<u>T16S-R36E:</u> Sec. 36; N/2 NE/4	B-2411 1-11-34 H.B.P.	3.6317
5	<u>T16S-R36E:</u> Sec. 36; S/2 NE/4	B-2894 5-10-34 H.B.P.	1.8462
7	<u>T16S-R36E:</u> Sec. 36; N/2 SE/4	E-7845 11-10-38 H.B.P.	2.0446
8	<u>T16S-R36E:</u> Sec. 35; SW/4 SE/4	B-9686 6-10-42	0.1909
9	<u>T16S-R36E:</u> Sec. 35; SE/4 SE/4	B-7316 11-10-37 H.B.P.	1.3365
10	<u>T16S-R36E:</u> Sec. 36; SW/4 SW/4	E-7766 9-10-38 H.B.P.	1.4817
11	<u>T16S-R36E:</u> Sec. 36; E/2 W/2	E-7766 9-10-38 H.B.P.	5.3025
12	<u>T16S-R36E:</u> Sec. 36; S/2 SE/4	B-7845 11-10-38 H.B.P.	4.7782

State Lands Part 1
Phase II - (Continued)

13	<u>T16S-R37E:</u> Sec. 31; Lots 3 & 4; SE/4 NW/4; SW/4 NE/4; SE/4	B-7896 12-10-38 H.B.P.	17.6584
14	<u>T16S-R37E:</u> Sec. 31; E/2 SW/4	B-1505 12-20-32 H.B.P.	4.0243
15	<u>T16S-R37E:</u> Sec. 32; W/2 SW/4	B-7897 11-10-38 H.B.P.	1.9594
16	<u>T17S-R36E:</u> Sec. 1; S/2 SE/4 Lots 3 & 4; SE/4 NW/4; SW/4 NW/4 Sec. 2; Lots 1 & 2 S/2 NE/4	B-1553 12-27-32 H.B.P.	15.7359
17	<u>T17S-R36E:</u> Sec. 1; N/2 SE/4 Sec. 2; N/2 SE/4	B-3009 6-11-34 H.B.P.	6.6877
18	<u>T17S-R36E:</u> Sec. 1; Lots 1 & 2; S/2 NE/4; N/2 SW/4; SE/4 SW/4	B-2359 1-23-34 H.B.P.	16.3781
23	<u>T17S-R37E:</u> Sec. 5; Lot 4	A-1118 9-15-28 H.B.P.	0.2710

Fee Lands

4	<u>T16S-R37E:</u> Sec. 31; Lot 1	11-17-43 4- 1-44 11-10-44 2- 1-45 1-11-45 H.B.P.	0.6844
19	<u>T17S-R36E:</u> Sec. 6; Lot 6	9-29-38 H.B.P.	0.9831
20	<u>T17S-R37E:</u> Sec. 6; Lots 4 & 5 (W/2 NW/4)	4-28-38 H.B.P.	3.8471
21	<u>T17S-R37E:</u> Sec. 6; Lot 3, SE/4 NW/4	4-28-38 H.B.P.	4.6891
22	<u>T17S-R37E:</u> Sec. 6; Lots 1 & 2	4-28-38	3.8985

EXHIBIT "C-2" PART II
 SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
 LOVINGTON SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO

Working Interest Owner	Unit Tract No.	Phase II Percent. Participation in Unit	Phase II Percent. Participation-Total
Amerada Petroleum Corporation	18	16.3781	16.8697
	19	0.4916	
Glenn B. Chadwick	4	0.0048	0.0048
M. T. Jonnson	10	0.0926	0.0926
F. M. Late, D/B/A Late Oil Company	4	0.4183	0.4183
Margaret Strain Mallard	4	0.0653	0.0653
Socony Mobil Oil Co., Inc.	5	1.8462	8.5339
	17	6.6877	
E. F. Moran, Inc.	23	0.1355	0.1355
Pan American Petroleum Corporation	16	15.7359	16.2274
	19	0.4915	
Phillips Petroleum Company	8	0.1909	0.1909
E. G. Rodman	10	0.3473	0.3473
Rodman-Noel Oil Corporation	10	1.0418	1.0418
Sinclair Oil & Gas Company	14	4.0243	4.0243
Skelly Oil Company	1	0.8676	38.0540
	2	0.5806	
	3	3.6317	
	9	1.3365	
	11	5.3025	
	12	4.7782	
	13	17.6584	
	22	3.8985	
Charles Hunter Strain	4	0.0653	0.0653
Clara M. Strain	4	0.1307	0.1307
Sunray Mid-Continent Oil Company	20	3.8471	3.8471
Tidewater Oil Company	7	2.0446	4.0040
	15	1.9594	
Fred Turner, Jr.	6	1.1225	1.1225
United Producing Company, Inc.	21	4.6891	4.6891
Union Supply Company	23	<u>0.1355</u>	<u>0.1355</u>
		100.0000	100.0000

LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

*Check
2593*

Working Interest Owners

Amerada Petroleum Corporation ✓
P. O. Box 2840
Tulsa 2, Oklahoma

Glenn B. Chadwick ✓
501 Elmwood Avenue
Los Angeles 4, California

M. T. Johnson ✓
P. O. Box 3826
Odessa, Texas

F. M. Late, D/B/A ✓
Late Oil Company
P. O. Box 348
San Angelo, Texas

Margaret Strain Mallard ✓
P. O. Box 1222
San Angelo, Texas

E. F. Moran, Inc. ✓
National Bank of Tulsa Building
Tulsa, Oklahoma

Pan American Petroleum Corporation ✓
P. O. Box 1410
Fort Worth, Texas

Phillips Petroleum Company ✓
Phillips Building
Bartlesville, Oklahoma

E. G. Rodman ✓
P. O. Box 3826
Odessa, Texas

Rodman-Noel Oil Corporation ✓
P. O. Box 3826
Odessa, Texas

Sinclair Oil and Gas Company ✓
P. O. Box 1470
Midland, Texas

Skelly Oil Company ✓
P. O. Box 1650
Tulsa, Oklahoma

Charles Hunter Strain ✓
P. O. Box 1631
San Angelo, Texas

Sunray Mid-Continent Oil Company ✓
P. O. Box 2039
Tulsa, Oklahoma

Tidewater Oil Company ✓
P. O. Box 1231
Midland, Texas

Fred Turner, Jr. ✓
Midland, Texas

United Producing Company, Inc. ✓
P. O. Box 1503
Houston 1, Texas

Socony Mobil Oil Company, Inc. ✓
P. O. Box 633
Midland, Texas

Clara Margaret Strain ✓
1311 Paseo De Vaca
San Angelo, Texas

*Robert
Strain*

26
23 B

LOVINGTON SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

Royalty & Overriding Royalty Owners

Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

J. S. Noland
c/o First National Bank
Midland, Texas

United States Geological Survey
P. O. Box 1857
Roswell, New Mexico

Edna Pryor
402 East Broadway
Midland, Texas

Constance E. Byers
P. O. Box 4554
Austin 51, Texas

Sohio Petroleum Company
970 First National Office Building
Oklahoma City 2, Oklahoma

Mary Louise Carson
815 West Avenue A
Lovington, New Mexico

R. W. Viersen
P. O. Box 57
Okmulgee, Oklahoma

Glenn B. Chadwick
5011 Elmwood Avenue
Los Angeles 4, California

R. G. Anderson
1017 First National Building
Tulsa, Oklahoma

George H. Coats
1610 Milam Building
San Antonio 5, Texas

Kirke C. Veeder
P. O. Box 306
Independence, Kansas

C. O. Drew
P. O. Box 2141
Pampa, Texas

R. H. Woods
P. O. Box 1123
Midland, Texas

Felmont Oil Corporation
285 Madison Avenue
New York 17, New York

Mary Elizabeth Caylor
Farmers National Bank for Deposit
Kittanning, Pennsylvania

J. D. Graham, Jr.
P. O. Box 1701
Hobbs, New Mexico

Howard Chamlee
745 Monaco Parkway
Denver, Colorado

Mason Graham
P. O. Box 1117
Lovington, New Mexico

Deen Williams
P. O. Box 43
Liberty Hill, Texas

Ruth Graham
212 East Santa Fe Avenue
Santa Fe, New Mexico

Ross L. Malone, Jr.
Executor of Estate of
Frank Jack Danglade, deceased
P. O. Drawer 1687
Lovington, New Mexico

Dilworth S. Hagner
1301 Mercantile Securities Building
Dallas 1, Texas

The First National Bank of
Midland, Texas
Trustee for Trust No. 204
P. O. Box 1599
Midland, Texas

Richard F. Hare
2018 W. T. Waggoner Building
Fort Worth 2, Texas

The Home State Royalty Corporation
507 Philtower Building
Tulsa 3, Oklahoma

Amerada Petroleum Corporation
120 Broadway, Room 2704
New York 5, New York

Jeb Oil Company
418 Niels Espersen Building
Houston 2, Texas

R. S. Anderson
P. O. Box 1884
Midland, Texas

J. M. Armstrong
P. O. Box 990
Midland, Texas

Walter B. Collins
P. O. Box 271
Midland, Texas

J. E. Green
P. O. Box 725
Hawkins, Texas

Charles J. Hoffman
1405 Continental Life Building
Fort Worth, Texas

Sarah A. Link
P. O. Box 752
Midland, Texas

Roger B. Owings
1221 Fair Building
Fort Worth, Texas

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Southland Royalty Company
6th Floor
Fort Worth National Bank Building
Fort Worth, Texas

The William K. Warren Foundation
P. O. Box 1589
Tulsa, Oklahoma

R. E. & R. F. Wertz
Co-Trustees of Trust under will of
Cora Cox Wertz, deceased
802 Rusk Street
Amarillo, Texas

W. A. Yeager
P. O. Box 990
Midland, Texas

Thula M. Caylor, Executrix of
Estate of C. S. Caylor, deceased
2217 West Rosedale
Fort Worth 4, Texas

L. G. Link
P. O. Box 752
Midland, Texas

Shell Oil Company
Midland, Texas

D. P. Dean
1818 W. T. Waggoner Building
Fort Worth, Texas

Elizabeth Dibrell
Arlington Tower M-909
Arlington 9, Virginia

Kaercher Company
1518 Walnut Street
Philadelphia 2, Pennsylvania

Roswell Securities Company
P. O. Box 2624
Hobbs, New Mexico

Harriet B. Savage
c/o Walter S. Sacks & Company,
Incorporated
1518 Walnut Street
Philadelphia 2, Pennsylvania

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF)
SKELLY OIL COMPANY FOR APPROVAL OF A)
UNIT AGREEMENT FOR THE LOVINGTON SAN)
ANDRES UNIT, LEA COUNTY, NEW MEXICO.)

Case No. _____

ENTRY OF APPEARANCE

Comes now L. C. WHITE of GILBERT, WHITE AND GILBERT, Santa Fe, New Mexico,
and herewith enters his formal appearance in the above application as resident
counsel for Skelly Oil Company.



L. C. WHITE

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

INJECTION WELL COMPLETION DATA - IOVINGTON SAN ANDRES UNIT

<u>Operator & Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>Sec.</u>	<u>T</u>	<u>R</u>	<u>T.D.</u>	<u>Completion Interval</u>	<u>Surface Casing</u>	<u>Cement</u>	<u>Production Casing</u>	<u>Logged</u>	<u>Remarks</u>			
								<u>Size</u>	<u>Depth</u>	<u>Size</u>	<u>Depth</u>				
								<u>Depth</u>	<u>Sx.</u>	<u>Depth</u>	<u>Sx.</u>				
Amerada															
State "1A"	6	B	1	178	36E	4900'	4589-4900'	10-3/4"	288'	180	5-1/2"	4589'	200	No	
State "1A"	7	L	1	178	36E	4946'	4624-4946'	10-3/4"	304'	175	5-1/2"	4624'	300	No	
Late Oil Co.															
Graham	1	D	31	168	37E	5000'	4538-5000'	16"	257'	N.R.	7"	4538'	N.R.	No	
Moran															
Shipp State "A"	1	D	5	178	37E	4896'	4669-4896'	10-3/4"	300'	175	5-1/2"	4669'	400	Yes	Plugged & Abandoned
Pan American															
Caylor	1	L	6	178	37E	4960'	4587-4960'	10-3/4"	270'	200	5-1/2"	4587'	175	No	
State "E" Tr. 18	3	D	1	178	36E	4970'	4543-4970'	13"	265'	200	5-1/2"	4543'	300	No	
State "E" Tr. 18	10	B	2	178	36E	5041'	4602-5041'	13"	267'	175	5-1/2"	4602'	400	No	
DX Surray															
Caylor	1	D	6	178	37E	4950'	4521-4950'	13"	314'	200	7"	4521'	200	No	
Skelly															
Caylor	1	B	6	178	37E	4955'	4540-4955'	13"	336'	200	5-1/2"	4540'	125	No	
State "N"	1	B	36	168	36E	5012'	4634-5012'	13"	293'	200	7"	4634'	225	No	
State "N"	2	L	31	168	37E	5087'	4530-5087'	10-3/4"	314'	175	5-1/2"	4530'	150	No	
State "N"	4	J	31	168	37E	4950'	4605-4950'	13"	294'	175	5-1/2"	4605'	150	No	
Socony-Mobil															
State "R"	1	J	1	178	36E	4960'	4530-4960'	13"	311'	250	7"	4530'	225	No	Plugged & Abandoned
State "R"	4	J	2	178	36E	5130'	4822-4974'	14"	N.R.	N.R.	5-1/2"	4526'	250	No	Plugged & Abandoned
Tidewater															
State "M"	2	J	36	168	36E	5110'	4654-4900'	7"	350'	175	4-1/2"	5110'	300	Yes*	To be drilled
State "M"	2	L	32	168	37E	4900'		13"	318'	300	5-1/2"	4655'	400		

N.R. - No Record

* - Not Available