

Unit Name SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT (WATERFLOOD)
Operator AMOCO PRODUCTION COMPANY
County IFA

QCV

DATE	OCC CASE NO. 5371	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	RENTAL-FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO. R-4924	DATE	ACREAGE	STATE	FEDERAL	RENTAL-FEE	SEGREGATION CLAUSE	TERM
COMMISSIONER	12-3-74	1-1-75	5,113.74	1,834,48	None	3,279.26	Modified	5 yrs.
12-11-74								

UNIT AREA

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMEM
Section 33: SE/4SE/4
Section 34: W/2

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMEM
Sections 3, 4, and 5, All
Section 6: N/2 and SE/4
Section 8: N/2NW/4, NE/4, and N/2SE/4
Section 9: N/2, N/2SW/4, and SE/4
Section 10: All
Section 11: SW/4SW/4
Section 14: W/2NW/4
Section 15: All
Section 16: NE/4NE/4

Unit Name SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT (WATERFLOOD)
Operator Amoco Production Company
County Lea

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACREAGE NOT RATIFIED	LESSEE
1	A-1212-1	Penn	33	18S	38E	SE/4SE/4	6-21-74	40.00		Amoco Production Compan
2	A-1212-1	DD&B	4 5 9 10 15	19S 19S 19S 19S 19S	38E 38E 38E 38E 38E	NW/4, E/2SW/4, SE/4 SW/4 E/2NW/4, NE/4 W/2NW/4, S/2SW/4 N/2NW/4, SW/4NW/4	6-21-74	1,079.84		Amoco Production Compan
3	A-1469-2	DD&B	8	19S	38E	N/2SE/4	11-12-74	80.00		Amerada Hess Corporatio
4	A-1646-9	DD&B	6	19S	38E	NW/4	7-9-74	157.32		Robert M. Taubman
5	A-1646-5	DD&B	6	19S	38E	N/2NE/4, SE/4NE/4	9-20-74	117.32		Atlantic Richfield Co.
6	A-1646-5	DD&B	6	19S	38E	SW/4NE/4	9-20-74	40.00	40.00	Atlantic Richfield Co.
7	B-244-1	DD&B	8	19S	38E	N/2NW/4		80.00	80.00	Gulf Oil Corporation
8	B-2656	DD&B	5	19S	38E	W/2SE/4		80.00	80.00	Continental Oil Co.
9	E-3290	DD&B	8	19S	38E	W/2NE/4		80.00	80.00	Skelly Oil Company
10	E-8432-2	C.S.	16	19S	38E	NE/4NE/4	10-22-74	40.00		Moranco (Moran Oil Prod. and Drilling Corporation)

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TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 33: SE/4SE/4
Section 34: W/2

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Sections 3, 4, and 5, All
Section 6: N/2 and SE/4
Section 8: N/2NW/4, NE/4, and N/2SE/4
Section 9: N/2, N/2SW/4, and SE/4
Section 10: All
Section 11: SW/4SW/4
Section 14: W/2NW/4
Section 15: All
Section 16: NE/4NE/4

ENLARGEMENT

(STATE) TRACT 6	Sec. 6-19S-38E	SW/4NE/4	40.00 Acres
(State) TRACT 7	Sec. 8-19S-38E	N/2NW/4	80.00 Acres

(Federal) TRACT 23	Sec. 6-19S-38E	E/2SE/4	80.00
(Federal) TRACT 24	Sec. 6-19S-38E	W/2SE/4	80.00

TOTAL ACREAGE COMMITTED 280.00 acres

EFFECTIVE: 7-1-77

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2	A-1212-1	DD&B	4	19S	38E	NW/4, E/2SW/4, SE/4	6-21-74	1,079.84		Amoco Production Company
			5	19S	38E	SW/4				
			9	19S	38E	E/2NW/4, NE/4				
			10	19S	38E	W/2NW/4, S/2SW/4				
			15	19S	38E	N/2NW/4, SW/4NW/4				
3	A-1469-2	DD&B	8	19S	38E	N/2SE/4	11-12-74	80.00		Amerada Hess Corporation
4	A-1646-9	DD&B	6	19S	38E	NW/4	7-9-74	157.32		Robert M. Taubman
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UNIT AGREEMENT
South Hobbs
(Grayburg - San Andres) Unit
Lea County, New Mexico

#5371

UNIT AGREEMENT

SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT

LEA COUNTY, NEW MEXICO

UNIT AGREEMENT
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

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UNIT AGREEMENT
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the first day of May,
1974, by the parties who have signed the original of this instrument, a
counterpart thereof, or other instrument agreeing to become a party
hereto,

W I T N E S S E T H

WHEREAS, in the interest of the public welfare, to promote con-
servation and increase the ultimate recovery of Unitized Substances from
the South Hobbs (Grayburg-San Andres) Field, in Lea County, New Mexico;
and to protect the rights of the owners of interests therein, it is
deemed necessary and desirable to enter into this agreement to unitize
the Oil and Gas Rights in and to the Unitized Formation in order to
conduct Unit Operations as herein provided;

WHEREAS, the Commissioner of Public Lands of the State of New
Mexico is authorized by an Act of the Legislature (Section 3, Chapter 88,
Laws of 1943, as amended by Section 1, Chapter 162, Laws of 1951, Chapter 7,
Article 11, Section 39, New Mexico Statutes 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 (Section 3, Chapter 88,
Laws of 1943, as amended by Section 1, Chapter 162, Laws of 1951, Chapter 7,
Article 11, Section 41, New Mexico Statutes 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 will coincide with the
terms of this agreement; and

WHEREAS, the Oil Conservation Commission of the State of New
Mexico is authorized by law (Article 31, Chapter 65, Volume 9, Part 2, New
Mexico Statutes 1953 anno.) to approve this agreement and the conser-
vation provisions hereof:

NOW, THEREFORE, in consideration of the premises and of the mutual
agreements herein contained, it is agreed as follows:

ARTICLE 1
DEFINITIONS

As used in this agreement:

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

1.2 Commissioner is the Commissioner of Public Lands of the State of New Mexico.

1.3 Commission is the Oil and Gas Conservation Commission of the State of New Mexico.

1.4 Unitized Formation is the subsurface portion of the Unit Area known as the Grayburg and San Andres formation of Permian age in the stratigraphic interval between the depths of 3,698 feet and 5,347 feet below the Kelly Bushing on the Borehole Compensated Sonic Log - Gamma Ray dated July 9, 1969, of the Shell Oil Company State "A" No. 7 located 1,930 feet FNL and 660 feet FEL of Section 32-18S-38E, Lea County, New Mexico.

1.5 Unitized Substances are all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate, and all associated and constituent liquid or liquefiable hydrocarbons other than Outside Substances within or produced from the Unitized Formation.

1.6 Working Interest is an interest in Unitized Substances by virtue of a lease, operating agreement, fee title, or otherwise, including a carried interest, the owner of which interest is obligated to pay, either in cash or out of production or otherwise, a portion of the Unit Expense; however, Oil and Gas Rights that are free of lease or other instrument creating a Working Interest shall be regarded as a Working Interest to the extent of seven-eighths (7/8) thereof and a Royalty Interest to the extent of the remaining one-eighth (1/8) thereof. A Royalty Interest created out of a Working Interest subsequent to the execution of this agreement by the owner of such Working Interest shall continue to be subject to such Working Interest burdens and obligations that are stated in this agreement and in the Unit Operating Agreement.

1.7 Royalty Interest is a right to or an interest in any portion of the Unitized Substances or proceeds thereof other than a Working Interest.

1.8 <u>Royalty Owner</u> is a party hereto who owns a Royalty Interest.	1
1.9 <u>Working Interest Owner</u> is a party hereto who owns a Working Interest.	2 3
1.10 <u>Tract</u> is the land described as such and given a tract number in Exhibit "B".	4 5
1.11 <u>Unit Operating Agreement</u> is the agreement entered into by Working Interest Owners, having the same Effective Date as this agreement, entitled "Unit Operating Agreement, South Hobbs (Grayburg-San Andres) Unit, Lea County, New Mexico."	6 7 8 9
1.12 <u>Unit Operator</u> is the Working Interest Owner designated by Working Interest Owners under the Unit Operating Agreement to conduct Unit Operations, acting as operator and not as a Working Interest Owner.	10 11 12
1.13 <u>Tract Participation</u> is the percentage shown on Exhibit "C" for allocating Unitized Substances to a Tract.	13 14
1.14 <u>Unit Participation</u> of a Working Interest Owner is the sum of the percentages obtained by multiplying the Working Interest of such Working Interest Owner in each Tract that qualifies for inclusion within the Unit Area by the Tract Participation of such Tract.	15 16 17 18
1.15 <u>Outside Substances</u> are substances purchased or otherwise obtained for a consideration by Working Interest Owners and injected into the Unitized Formation.	19 20 21
1.16 <u>Oil and Gas Rights</u> are the rights to explore, develop, and operate lands within the Unit Area for the production of Unitized Substances or to share in the production so obtained or the proceeds thereof.	22 23 24 25
1.17 <u>Unit Operations</u> are all operations conducted pursuant to this agreement and the Unit Operating Agreement.	26 27
1.18 <u>Unit Equipment</u> is all personal property, lease and well equipment, plants, and other facilities and equipment taken over or otherwise acquired for the joint account for use in Unit Operations.	28 29 30
1.19 <u>Unit Expense</u> is all costs, expense, or indebtedness incurred by Working Interest Owners or Unit Operator pursuant to this agreement and the Unit Operating Agreement for or on account of Unit Operations.	31 32 33

1.20 Effective Date is the time and date this agreement becomes effective as provided in Section 17.1.

ARTICLE 2 EXHIBITS

2.1 Exhibits. The following exhibits, which are attached hereto, are incorporated herein by reference:

2.1.1 Exhibit "A" is a map that shows the boundary lines of the Unit Area and the Tracts therein.

2.1.2 Exhibit "B" is a schedule that describes each Tract in the Unit Area and percentage and kind of oil and gas interest in each such Tract.

2.1.3 Exhibit "C" is a schedule showing individual Tract Descriptions and Tract Participations.

2.1.4 Exhibit "D" is a form of Indemnity Agreement required under the provisions of Section 9.1.3 hereof.

2.2 Reference to Exhibits. When reference is made to an exhibit, it is to the exhibit as originally attached or, if revised, to the last revision.

2.3 Exhibits Considered Correct. Exhibits "A," "B," and "C" shall be considered to be correct until revised as herein provided.

2.4 Correcting Errors. The shapes and descriptions of the respective Tracts have been established by using the best information available. If it subsequently appears that any Tract, because of diverse royalty or working interest ownership on the Effective Date, should have been divided into more than one Tract or that any mechanical miscalculation or clerical error has been made, Unit Operator, with the approval of the Working Interest Owners and the Commissioner, shall correct the mistake by revising the exhibits to conform to the facts. The revision shall not include any reevaluation of engineering or geological interpretations used in determining Tract Participation. Each such revision of an exhibit made prior to thirty (30) days after the Effective Date shall be effective as of the Effective Date. Each such revision thereafter made shall be effective at 7 A.M. on the first day of the calendar month next following the filing for record of the revised exhibit or on such other date as may be determined by Working Interest Owners and set forth in the revised exhibits.

2.5 Filing Revised Exhibits. If an exhibit is revised, Unit Operator shall execute an appropriate instrument with the revised exhibits attached and file two copies with the Commissioner and one copy for record in Lea County, New Mexico.

ARTICLE 3 CREATION AND EFFECT OF UNIT

3.1 Oil and Gas Rights Unitized. All Oil and Gas Rights of Royalty Owners in and to the lands described in Exhibit "B" and all Oil and Gas Rights of Working Interest Owners in and to said lands are hereby unitized insofar as the respective Oil and Gas Rights pertain to the Unitized Formation so that Unit Operations may be conducted with respect to the Unitized Formation as if the Unit Area had been included in a single lease executed by all Royalty Owners, as lessors, in favor of all Working Interest Owners, as lessees, and as if the lease contained all the provisions of this agreement.

3.2 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 Working Interest Owners. The rights and interests therein as among Working Interest Owners are set forth in the Unit Operating Agreement.

3.3 Amendments of Leases and Other Agreements. The provisions of the various leases, agreements, division and transfer orders, or other instruments pertaining to the respective Tracts or the production therefrom, are amended to the extent necessary to make them conform to the provisions of this agreement, but otherwise shall remain in effect.

3.4 Continuation of Lease and Term Interests. Unit Operations conducted on any part of the Unit Area shall be considered with respect to leases or term mineral or royalty interests as follows:

3.4.1 Production from any part of the Unitized Formation, except for the purpose of determining payments to Royalty Owners, or other Unit Operations shall be considered as production from or operations upon each Tract; and such production or operations shall continue in effect each lease or term mineral or royalty interest as to all lands and formations covered thereby just as if such operations were conducted on and as if a well were producing from each Tract.

3.4.2 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.

3.4.3 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 as 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 valid and subsisting and upon which the lessee or the Unit Operator is then engaged in bona fide drilling, reworking, or improved recovery operations on any part of the lands embraced in such lease, then the same as to all lands embraced therein should 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 lands embraced therein, so long thereafter as oil or gas in paying quantities is being produced from any portion of said lands.

3.5 Titles Unaffected by Unitization. Nothing herein shall be construed to result in the transfer of title to Oil and Gas Rights by any party hereto to any other party or to Unit Operator.

3.6 Injection Rights. Royalty Owners hereby grant Working Interest Owners the right to inject into the Unitized Formations any substances in whatever amounts Working Interest Owners deem expedient for Unit Operations, together with the right to drill, use, and maintain injection wells on the Unit Area and to use for injection purposes any nonproducing or abandoned wells or dry holes and any producing wells completed in the Unitized Formation.

3.7 Development Obligation. Nothing herein shall relieve Working Interest Owners from any obligation to develop reasonably as a whole the lands and leases committed hereto.

ARTICLE 4
PLAN OF OPERATIONS

4.1 Unit Operator. Working Interest Owners are concurrently herewith entering into the Unit Operating Agreement, designating Amoco Production Company as the initial Unit Operator. Unit Operator shall have the exclusive right to conduct Unit Operations, which shall conform to the provisions of this agreement and the Unit Operating Agreement. If there is any conflict between such agreements, this agreement shall govern.

4.2 Successor Unit Operator. Unit Operator may resign at any time. Upon the resignation or removal of a Unit Operator, a successor Unit Operator shall be selected by Working Interest Owners. If the Unit Operator that is removed fails to vote or votes only to succeed itself, the successor Unit Operator may be selected by the affirmative vote of at least seventy-five percent (75%) of the voting interest remaining after excluding the voting interest of the Unit Operator that resigned or was removed. A Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator and the selection and acceptance shall be subject to the approval of the Commissioner. If no Unit Operator is selected as herein provided, the Commissioner at his election may declare this Unit Agreement terminated. In voting under this Section 4.2, each Working Interest Owner shall have a voting interest equal to its Unit Participation at the time of the vote.

4.3 Method of Operation. To the end that the quantity of Unitized Substances ultimately recoverable may be increased and waste prevented, Working Interest Owners shall, with diligence and in accordance with good engineering and production practices, as soon as practicable after the Effective Date hereof, make necessary arrangements for commencement of improved recovery operations in the Unitized Formation and the use or construction of necessary plants and facilities therefor, in order that such operations may be initiated within a reasonable time after such facilities are ready for operation. Unit Operator shall furnish the Commissioner a copy of the order of the Commission approving the initiation of improved recovery operations.

4.4 Change of Method of Operation. Nothing herein shall prevent Working Interest Owners from discontinuing or changing in whole or in part any method of operation which, in their opinion, is no longer in accord with good engineering or production practices. Other methods of operation may be conducted or changes may be made by Working Interest Owners from time to time if determined by them to be feasible, necessary, or desirable to increase the ultimate recovery of Unitized Substances.

Unit Operator shall keep the Commissioner informed of any changes in any method of operation by furnishing the Commissioner a copy of the order of the Commission authorizing such changes.

ARTICLE 5 TRACT PARTICIPATIONS

5.1 Tract Participation. The Tract Participation of each Tract is shown in Exhibit "C" and was determined and approved by the Working Interest Owners as follows:

Tract Participation Percentage

Phase I: $100 \times A$

Phase II: $100 \times (50\% A + 25\% B + 12.5\% C + 12.5\% D)$

Phase III: $100 \times (70\% E + 7.5\% A + 7.5\% D + 7.5\% F + 7.5\% G)$

Where A = Ratio of the value of oil and gas production from each Tract to the summation of the value of oil and gas production from all Tracts in the Unit Area during the period July 1, 1972, through June 30, 1973.

B = Ratio of original productive acres for each Tract to the summation of the original productive acres for all Tracts in the Unit Area.

C = Ratio of the ultimate primary oil recovery from each Tract to the summation of the ultimate primary oil recovery from all Tracts in the Unit Area.

D = Ratio of the cumulative oil production to July 1, 1973, from each tract to the summation of the cumulative oil production to July 1, 1973, for all tracts in the Unit Area.

E = Ratio of the secondary oil reserves for each Tract to the summation of the secondary oil reserves for all Tracts in the Unit Area.

F = Ratio of the original oil-in-place for each Tract to the summation of original oil-in-place for all Tracts in the Unit Area.

G = Ratio of the redistributed primary oil reserves for each Tract to the summation of redistributed primary oil reserves for all Tracts in the Unit Area.

The Tract Participations as shown in Exhibit "C" are accepted and approved by the parties hereto as being correct, fair and equitable.

5.1.1 Phase I Tract Participation shall begin on the Effective Date of this agreement and continue until the first day of the month next following the date when the cumulative oil production from the Unitized Formation underlying all Tracts described in original Exhibit "B" attached hereto equals six million four hundred thousand (6,400,000) barrels as determined from the production reports (currently known as C-115 reports) filed with the New Mexico Oil Conservation Commission. Phase II Tract Participation shall begin on the termination of Phase I and continue until the first day of the month next following the date when the cumulative oil production from the Unitized Formation underlying all Tracts described in original Exhibit "B" attached hereto equals six million four hundred thousand (6,400,000) barrels from and after the termination date of Phase I, as determined from the production reports filed with the New Mexico Oil Conservation Commission. Phase III shall begin with the termination of Phase II and continue for the remainder of the term of this agreement. The Unit Operator shall advise the Commissioner of changes in Tract Participation from Phase I to Phase II and from Phase II to Phase III on or before the effective date of each such change.

5.1.2 In the event less than all Tracts as described in original Exhibit "B" attached hereto, are qualified for inclusion in the Unit Area on the Effective Date hereof, the total number of barrels of oil to be produced before beginning Phase II and Phase III as designated in Section 5.1.1 shall remain at 6,400,000 barrels, respectively; however, oil produced from all Tracts in the Unit Area as depicted on Exhibit "A" attached hereto, qualified and non-qualified, shall count toward each required total of 6,400,000 barrels of oil.

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

ARTICLE 6 ALLOCATION OF UNITIZED SUBSTANCES

6.1 Allocation to Tracts. All Unitized Substances produced and saved shall be allocated to the several Tracts in accordance with the respective Tract Participations effective during the period that the Unitized Substances were produced. The amount of Unitized Substances allocated to each Tract, regardless of whether the amount is more or

less than the actual production of Unitized Substances from the well or wells, if any, on such Tract, shall be deemed for all purposes to have been produced from such Tract.

6.2 Distribution Within Tracts. The Unitized Substances allocated to each Tract shall be distributed among, or accounted for to, the parties entitled to share in the production from such Tract in the same manner, in the 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 effect. If any Oil and Gas Rights in a Tract hereafter become divided and owned in severalty as to different parts of the Tract, the owners of the divided interests in the absence of an agreement providing for a different division shall share in the Unitized Substances allocated to the Tract, or in the proceeds thereof, in proportion to the surface acreage of their respective parts of the Tract. Any royalty or other payments which depend upon per well production or pipeline runs from a well or wells on a Tract shall, after the Effective Date, be determined by dividing the Unitized Substances allocated to the Tract by the number of wells located thereon which are completed in the Unitized Formation on the Effective Date; however, if any Tract has no well thereon completed in the Unitized Formation on the Effective Date, the Tract shall for the purpose of this determination be deemed to have one such well thereon.

6.3 Taking Unitized Substances in Kind. The Unitized Substances allocated to each Tract shall be delivered in kind to the respective parties entitled thereto by virtue of the ownership of Oil and Gas Rights therein or by purchase from such owners. Such parties shall have the right to construct, maintain, and operate within the Unit Area all necessary facilities for that purpose, provided they are so constructed, maintained, and operated as not to interfere with Unit Operations. Any extra expenditures incurred by Unit Operator by reason of the delivery in kind of any portion of Unitized Substances shall be borne by the owner of such portion. If a Royalty Owner has the right to take in kind a share of Unitized Substances and fails to do so, the Working Interest Owner whose Working Interest is subject to such Royalty Interest shall be entitled to take in kind such share of Unitized Substances.

6.4 Failure to Take in Kind. If any party fails to take in kind or separately dispose of such party's share of Unitized Substances, Unit Operator shall have the right, but not the obligation, for the time being and subject to revocation at will by the party owning the share, to purchase or sell to others such share; however, 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 Working Interest Owners of each affected Tract or a party designated by such Working Interest Owners who shall distribute such proceeds to the parties entitled thereto. Notwithstanding the foregoing, Unit Operator shall not make a sale into interstate commerce of any other party's share of gas production without first giving such other party sixty (60) days' notice of such intended sale.

6.5 Responsibility for Royalty Settlements. Any party receiving in kind or separately disposing of all or part of the Unitized Substances allocated to any Tract shall be responsible for the payment of all royalties, overriding royalties, production payments, and all other payments chargeable against or payable out of such Unitized Substances and shall indemnify all parties hereto, including Unit Operator, against any liability for such payment.

6.6 Royalty on Outside Substances. If any Outside Substances consisting of natural gases are injected into the Unitized Formation, seventy-five percent (75%) of any like substances contained in Unitized Substances subsequently produced and sold or used for other than Unit Operations, shall be deemed to be a part of the Outside Substance so injected until the total volume deemed to be such Outside Substance equals the total volume of such Outside Substance so injected. If any Outside Substance which prior to injection is liquefied petroleum gas or other liquid hydrocarbons is injected into the Unitized Formation, ten percent (10%) of all Unitized Substances produced and sold after one year from the time the injection of such Outside Substance was commenced shall be deemed to be a part of the Outside Substance so injected until the total value of the production deemed to be such Outside Substance equals the total cost of the Outside Substance so injected. Such ten percent (10%) of the Unitized Substances deemed to be Outside Substances will be in addition to that which is being recovered for natural gases as hereinabove provided, if both liquefied petroleum gas or other liquid hydrocarbons and natural gasses are injected. No payment shall be due or payable to Royalty Owners on substances produced from the Unitized Formation that are deemed to be Outside Substances.

ARTICLE 7 PRODUCTION AS OF THE EFFECTIVE DATE

7.1 Oil or Liquid Hydrocarbons in Lease Tanks. Unit Operator shall gauge or otherwise determine the amount of merchantable oil or other liquid hydrocarbons produced from the Unitized Formation that is in lease and power-oil tanks as of 7 A.M. on the Effective Date. Oil or other liquid hydrocarbons in treating vessels, separation equipment, and

tanks below pipeline connections shall not be considered to be merchantable. Any merchantable oil or other liquid hydrocarbons that are a part of oil attributable to the prior allowable of the wells from which they were produced shall remain the property of the parties entitled thereto as if this agreement had not been entered into. Any such merchantable oil or other liquid hydrocarbons not promptly removed may be sold by Unit Operator for the account of the Working Interest Owners entitled thereto who shall pay all royalty due thereon under the provisions of applicable leases or other contracts. Any oil or liquid hydrocarbons in excess of that attributable to the prior allowable of the wells from which they were produced shall be regarded as Unitized Substances produced after the Effective Date.

7.2 Overproduction. If, as of the Effective Date, any Tract is overproduced with respect to the allowables of the wells on that Tract and if the amount of overproduction has been sold or otherwise disposed of, such production shall be regarded as part of the Unitized Substances produced after the Effective Date and shall be charged to such Tract as having been delivered to the parties entitled to Unitized Substances allocated to such Tract.

ARTICLE 8 USE OR LOSS OF UNITIZED SUBSTANCES

8.1 Use of Unitized Substances. Working Interest Owners may use or consume Unitized Substances for Unit Operations, including but not limited to the injection thereof into the Unitized Formation.

8.2 Royalty Payments. No royalty, overriding royalty, production, or other payments shall be payable on account of Unitized Substances used, lost, or consumed in Unit Operations.

ARTICLE 9 TRACTS TO BE INCLUDED IN UNIT

9.1 Qualification of Tracts. On and after the Effective Date and until the enlargement or reduction thereof, the Unit Area shall be composed of the Tracts listed in Exhibit "B" that corner or have a common boundary (Tracts separated only by a public highway and/or a railroad right-of-way shall be considered to have a common boundary) and that otherwise qualify as follows:

9.1.1 Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this agreement and as to which Royalty Owners owning seventy-five percent (75%) or more of the Royalty Interest have become parties to this agreement;

9.1.2 Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this agreement and as to which Royalty Owners owning less than seventy-five percent (75%) of the Royalty Interest have become parties to this agreement and as to which (a) Working Interest Owners owning seventy-five percent (75%) or more of the Working Interest in such Tract, including the Working Interest Owner who operates the Tract, have joined in a request for the inclusion of the Tract in the Unit Area and as to which (b) Working Interest Owners having seventy-five percent (75%) or more of the combined voting interest in all Tracts that meet the requirements of Section 9.1.1 have voted in favor of the inclusion of such Tract. For the purpose of this Section 9.1.2, the voting interest of a Working Interest Owner shall be equal to the ratio that its Phase I Unit Participation attributable to Tracts that qualify under Section 9.1.1 bears to the total Phase I Unit Participation of all Working Interest Owners attributable to all Tracts that qualify under Section 9.1.1;

9.1.3 Each Tract as to which Working Interest Owners owning less than one-hundred percent (100%) of the Working Interest have become parties to this agreement, regardless of the percentage of Royalty Interest therein that is committed hereto, and as to which (a) one or more of the Working Interest Owners in such Tract who have become parties to this agreement, one of which must be the operator of such Tract, have joined in a request for inclusion of such Tract in the Unit Area and have executed and delivered, or have obligated themselves to execute and deliver, an indemnity agreement identical in form to the agreement attached hereto as Exhibit "D" indemnifying and agreeing to hold harmless all other Working Interest Owners in the Unit Area, their successors, and assigns, against all claims and demands that may be made by the owners of Working Interests in such Tract who are not parties to this agreement and which arise out of the inclusion of the Tract in the Unit Area; and as to which (b) Working Interest Owners having seventy-five percent (75%) or more of the combined voting interest in all Tracts that meet the requirements of Sections 9.1.1 and 9.1.2 have voted in favor of the inclusion of such Tract and to accept the indemnity agreement. For the purpose of this Section 9.1.3, the voting interest of each Working Interest Owner shall be equal to the ratio that its Phase I Unit Participation attributable to Tracts that qualify under Sections 9.1.1 and 9.1.2 bears to the total Phase I Unit

Participation of all Working Interest Owners attributable to all Tracts that qualify under Sections 9.1.1 and 9.1.2. Upon the inclusion of such a Tract in the Unit Area, the Unit Participation that would have been attributed to the nonsubscribing owners of Working Interest in such Tract, had they become parties to this agreement and the Unit Operating Agreement, shall be attributed in proportion to their respective Working Interests in such Tract to the Working Interest Owners in the Tract who have executed indemnity agreements.

9.2 Commitment of Interests to Unit. The execution of this agreement by a party shall commit all interests owned or controlled by such a party as of the date of execution and additional interests acquired before the Effective Date. After the Effective Date, the commitment of any interest in any Tract within the Unit Area shall be upon such terms as may be negotiated by Working Interest Owners and the owner of such interest and upon approval of the Commissioner, provided, however, any formerly committed interest as to which title has failed may be re-committed by the rightful owners on its former basis of participation as provided in Section 10.1 hereof.

9.3 Acquisition of Uncommitted Interests. In the event any party bound by this agreement acquires an uncommitted interest in any Tract included within the Unit Area, such interest upon being so acquired, shall, upon approval by the Working Interest Owners, be subject to this agreement; shall receive its share of the Unit Participation allocated to said Tract; and, where the interest acquired is a Working Interest, shall also be subject to the Unit Operating Agreement.

9.4 Revision of Exhibits. If any of the Tracts described in Exhibit "B" fail to qualify for inclusion in the Unit Area, Unit Operator shall recompute the Tract Participation of each of the qualifying Tracts, using the original basis of computation, and shall revise Exhibits "A," "B" and "C" accordingly. Such revised exhibits shall be effective as of 7 A.M. on the Effective Date.

ARTICLE 10 TITLES

10.1 Removal of Tract from Unit Area. If a Tract ceases to have sufficient Working Interest Owners or Royalty Owners committed to this agreement to meet the conditions of Article 9 because of failure of title of any party hereto, such Tract shall be removed from the Unit Area effective as of 7 A.M. on the first day of the calendar month in which the failure of title is finally determined unless within ninety

(90) days after the date of final determination of the failure of title, the Tract qualifies under a Section of Article 9.

10.2 Revision of Exhibits. If a Tract is removed from the Unit Area because of failure of title, Unit Operator, subject to Section 5.2, shall recompute the Tract Participation of each of the Tracts remaining in the Unit Area and shall revise Exhibits "A," "B," and "C" accordingly. The revised exhibits shall be effective as of 7 A.M. on the first day of the calendar month in which such failure of title is finally determined.

10.3 Working Interest Titles. If title to a Working Interest fails, the rights and obligations of Working Interest Owners by reason of the failure of title shall be governed by the Unit Operating Agreement.

10.4 Royalty Interest Titles. 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 share hereunder with respect to such interest.

10.5 Production Where Title Is in Dispute. If the title or right of any party claiming the right to receive in kind all or any portion of the Unitized Substances allocated to a Tract is in dispute, Unit Operator at the direction of the Working Interest Owners shall either:

(a) Require that the party to whom such Unitized Substances are delivered or to whom the proceeds thereof are paid furnish security for the proper accounting therefor to the rightful owners if the title or right of such party fails in whole or in part; or

(b) Withhold and market the portion of Unitized Substances with respect to which title or right is in dispute and impound the proceeds thereof until such time as the title or right thereto is established by a final judgment of a court of competent jurisdiction or otherwise to the satisfaction of Working Interest Owners, whereupon the proceeds so impounded shall be paid to the party rightfully entitled thereto.

(c) Notwithstanding any provisions contained herein to the contrary, no payments of funds due the State of New Mexico shall be withheld; but such funds shall be deposited as directed by the Commissioner 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.

10.6 Payment of Taxes to Protect Title. The owner of surface rights to lands within the Unit Area or severed mineral interests or Royalty Interests in such lands or lands outside the Unit Area on which Unit Equipment is located is responsible for the payment of any ad valorem taxes on all such rights, interests, or property unless such owner and Working Interest Owners otherwise agree. If any ad valorem taxes are not paid by or for such owner when due, Unit Operator may, with approval of Working Interest Owners, at any time prior to tax sale, or expiration of period of redemption after tax sale, pay the tax to redeem such rights, interests, or property and discharge the tax lien. Any such payment shall be an item of Unit Expense. Unit Operator shall, if possible, withhold from any proceeds derived from the sale of Unitized Substances otherwise due any delinquent taxpayer an amount sufficient to defray the costs of such payment or redemption, such withholding to be credited to Working Interest Owners.

ARTICLE 11 EASEMENTS OR USE OF SURFACE

11.1 Grant of Easements. The parties hereto, to the extent of their rights and interests, hereby grant to Working Interest Owners the right to use as much of the surface of the land within the Unit Area as may be reasonably necessary for Unit Operations and the removal of Unitized Substances from the Unit Area; however, nothing herein shall be construed as leasing or otherwise conveying to Working Interest Owners a camp site or a plant site for water injection, gas injection, or gas processing.

11.2 Use of Water. Working Interest Owners shall have and are hereby granted free use of water from the Unit Area for Unit Operations, except water from any well, lake, pond, or irrigation ditch of a Royalty Owner.

11.3 Surface Damages. Working Interest Owners shall pay the owners for damages to growing crops, timber, fences, improvements, and structures on the Unit Area that result from Unit Operations.

ARTICLE 12 ENLARGEMENTS OF UNIT AREA

12.1 Enlargements of Unit Area. The Unit Area may be enlarged from time to time to include acreage reasonably proved to be productive upon

such terms as may be determined by Working Interest Owners and upon approval by the Commissioner, including, but not limited to, the following:

12.1.1 The acreage shall qualify under a Section of Article 9.

12.1.2 The participation to be allocated to the acreage shall be fair and reasonable, considering all available information, and as applicable, subject to the provisions of Section 5.1.1, the number of barrels of oil shall be revised that determine the duration of Phase I and Phase II of Unit Participation.

12.1.3 There will be no retroactive allocation or adjustment of Unit Expense or of interests in the Unitized Substances produced or proceeds thereof; however, this limitation shall not prevent an adjustment of investment by reason of the enlargement.

12.2 Determination of Tract Participation. Unit Operator, subject to Section 5.2, shall determine the Tract Participation of each Tract within the Unit Area as enlarged and shall revise Exhibits "A," "B," and "C" accordingly.

12.3 Effective Date. The effective date of any enlargement of the Unit Area shall be 7 A.M. on the first day of the calendar month following compliance with conditions for enlargement as specified by Working Interest Owners and filing for record of revised Exhibits "A," "B," and "C" in Lea County, New Mexico. If the Unit Area is enlarged during Phase I or Phase II, the instrument for recording revised Exhibits "A," "B," and "C" shall state the revised number of barrels of oil that shall determine the duration of the remainder of Phase I and Phase II, as applicable.

ARTICLE 13 TRANSFER OF TITLE - PARTITION

13.1 Transfer of Title. Any conveyance of all or any part of any interest owned by any party hereto with respect to any Tract shall be made expressly subject to this agreement. No change of title shall be binding upon Unit Operator or upon any party hereto other than the party so transferring until 7 A.M. on the first day of the calendar month next succeeding the date of receipt by Unit Operator of a photocopy, or a certified copy, of the recorded instrument evidencing such change in ownership.

13.2 Waiver of Rights to Partition. Each party hereto agrees that, during the existence of this agreement, it will not resort to any

action to partition the Unitized Formation or the Unit Equipment and to
that extent waives the benefits of all laws authorizing such partition.

ARTICLE 14 RELATIONSHIP OF PARTIES

14.1 No Partnership. The duties, obligations, and liabilities of
the parties hereto are intended to be several and not joint or collec-
tive. This agreement is not intended to create, and shall not be con-
strued 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.

14.2 No Joint Refining or Marketing. This agreement is not in-
tended to provide, and shall not be construed to provide, directly or
indirectly, for any joint refining or marketing of Unitized Substances.

14.3 Royalty Owners Free of Costs. This agreement is not intended
to impose, and shall not be construed to impose, upon any Royalty Owner
any obligation to pay Unit Expense unless such Royalty Owner is other-
wise so obligated.

14.4 Information to Royalty Owners. Each Royalty Owner shall be
entitled to all information in possession of Unit Operator to which such
Royalty Owner is entitled by an existing agreement with any Working
Interest Owner.

ARTICLE 15 LAWS AND REGULATIONS

15.1 Laws and Regulations. This agreement shall be subject to all
applicable federal, state, and municipal laws, rules, regulations, and
orders.

ARTICLE 16 FORCE MAJEURE

16.1 Force Majeure. All obligations imposed by this agreement on
each party, except for the payment of money, shall be suspended while
compliance is prevented, in whole or in part, by a labor dispute, fire,

war, civil disturbance, act of God; by federal, state, or municipal laws; by any rule, regulation, or order of a governmental agency; by inability to secure materials; or by any other cause or causes, whether similar or dissimilar, beyond reasonable control of the party. No party shall be required against its will to adjust or settle any labor dispute. Neither this agreement nor any lease or other instrument subject hereto shall be terminated by reason of suspense of Unit Operations due to any one or more of the causes set forth in this Article.

ARTICLE 17 EFFECTIVE DATE

17.1 Effective Date. This agreement shall become binding upon each party as of the date such party signs the instrument by which it becomes a party hereto and, unless sooner terminated as provided in Section 17.2, shall become effective no later than 7 A.M. on the first day of the second calendar month next following:

(a) The qualification in accordance with Article 9 of Tracts representing not less than eighty percent (80%) of Phase I participation in the Unit Area as shown on Exhibit "C" attached hereto; without limiting the foregoing, in the event that the above is not accomplished by June 1, 1975, the Working Interest Owners shall have the right to form a unit of lesser areal extent than that outlined on the original Exhibit "A," provided that the Tracts in such unit shall meet the qualification of Article 9 and provided further that approval to form such partial unit is given by the Working Interest Owners in the Tracts proposed for inclusion in such partial unit who are committed to this Agreement, such approval to be given by a vote of Working Interest Owners owning eighty percent (80%) or more of the Phase I voting interest in such partial unit as shown in Exhibit "C".

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

(c) The filing of at least one counterpart of this agreement for record in Lea County, New Mexico.

17.2 Ipsa Facto Termination. If the requirements of Section 17.1 are not accomplished on or before June 1, 1975, this agreement shall ipso facto terminate on that date (hereinafter called "termination date") and thereafter be of no further effect, unless prior thereto Working Interest Owners of at least sixty-five percent (65%) of Phase I Unit Participation have become parties to this agreement and Working

Interest Owners owning sixty-five (65%) or more of that percent have decided to extend the termination date for a period not to exceed one year. If the termination date is so extended and the requirements of Section 17.1 are not accomplished on or before the extended termination date, this agreement shall ipso facto terminate on the extended termination date and thereafter be of no further effect. For the purpose of this section, Unit Participation shall be calculated on the basis of Phase I Tract Participations shown on the original Exhibit "C".

17.3 Certificate of Effectiveness. Unit Operator shall file for record in Lea County, New Mexico, a certificate stating the Effective Date.

ARTICLE 18 TERM

18.1 Term. The term of this agreement shall be for the time that Unitized Substances are produced in paying quantities or other Unit Operations are conducted without a cessation of more than ninety (90) consecutive days, unless sooner terminated by Working Interest Owners in the manner herein provided.

18.2 Termination by Working Interest Owners. This agreement may be terminated by approval of the Commissioner and by Working Interest Owners owning sixty-five (65%) or more of the Unit Participation then in effect whenever such Working Interest Owners determine that Unit Operations are no longer profitable or feasible.

18.3 Effect of Termination. Upon termination of this agreement, the further development and operation of the Unitized Formation as a unit shall be abandoned; and Unit Operations shall cease. Each oil and gas lease and other agreement covering lands within the Unit Area shall remain in force for sixty (60) days after the date on which this agreement terminates and for such other period as is provided by the lease or other agreement.

18.4 Salvaging Equipment upon Termination. If not otherwise granted by the leases or other instruments affecting each Tract, Royalty Owners hereby grant Working Interest Owners a period of six (6) months after the date of termination of this agreement within which to salvage and remove Unit Equipment.

18.5 Certificate of Termination. Upon termination of this agreement, Unit Operator shall file for record in Lea County, New Mexico, a certificate declaring that this agreement has terminated and its termination date.

ARTICLE 19
EXECUTION

19.1 Original, Counterpart, or Other Instrument. An owner of Oil and Gas Rights may become a party to this agreement by signing the original of this instrument, a counterpart thereof, or other instrument agreeing to become a party hereto. The signing of any such instrument shall have the same effect as if all parties had signed the same instrument.

19.2 Joinder in Dual Capacity. Execution as herein provided by any party as either a Working Interest Owner or a Royalty Owner shall commit all interests owned or controlled by such party.

ARTICLE 20
GENERAL

20.1 Amendments Affecting Working Interest Owners. Amendments hereto relating wholly to Working Interest Owners may be made if signed by all Working Interest Owners.

20.2 Action by Working Interest Owners. Except as otherwise provided in this agreement, any action or approval required by Working Interest Owners hereunder shall be in accordance with the provisions of the Unit Operating Agreement.

20.3 Lien and Security Interest. Unit Operator and Working Interest Owners shall have a lien upon and a security interest in the interests of each other in the Unit Area as provided in the Unit Operating Agreement.

20.4 Non-discrimination. In connection with the performance of work under this agreement, Unit Operator agrees to comply with all the provisions of Subsections (1) through (7) of Section 202, Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and as subsequently amended, which are hereby incorporated by reference in this agreement.

ARTICLE 21
SUCCESSORS AND ASSIGNS

21.1 Successors and Assigns. This agreement shall extend to, be binding upon, and inure to the benefit of the parties hereto and their

respective heirs, devisees, legal representatives, successors, and assigns, and shall constitute a covenant running with the lands, leases, and interests covered hereby.

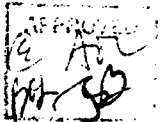
IN WITNESS WHEREOF the parties hereto have executed this agreement on the dates opposite their respective signatures.

Date: JUN 21 1974

AMOCO PRODUCTION COMPANY

By

John W. Phenice
Attorney-in-Fact



THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared JOHN W. PHENICE, known to me to be the person who executed the foregoing instrument as Attorney-in-Fact for AMOCO PRODUCTION COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation, and in the capacity therein stated.

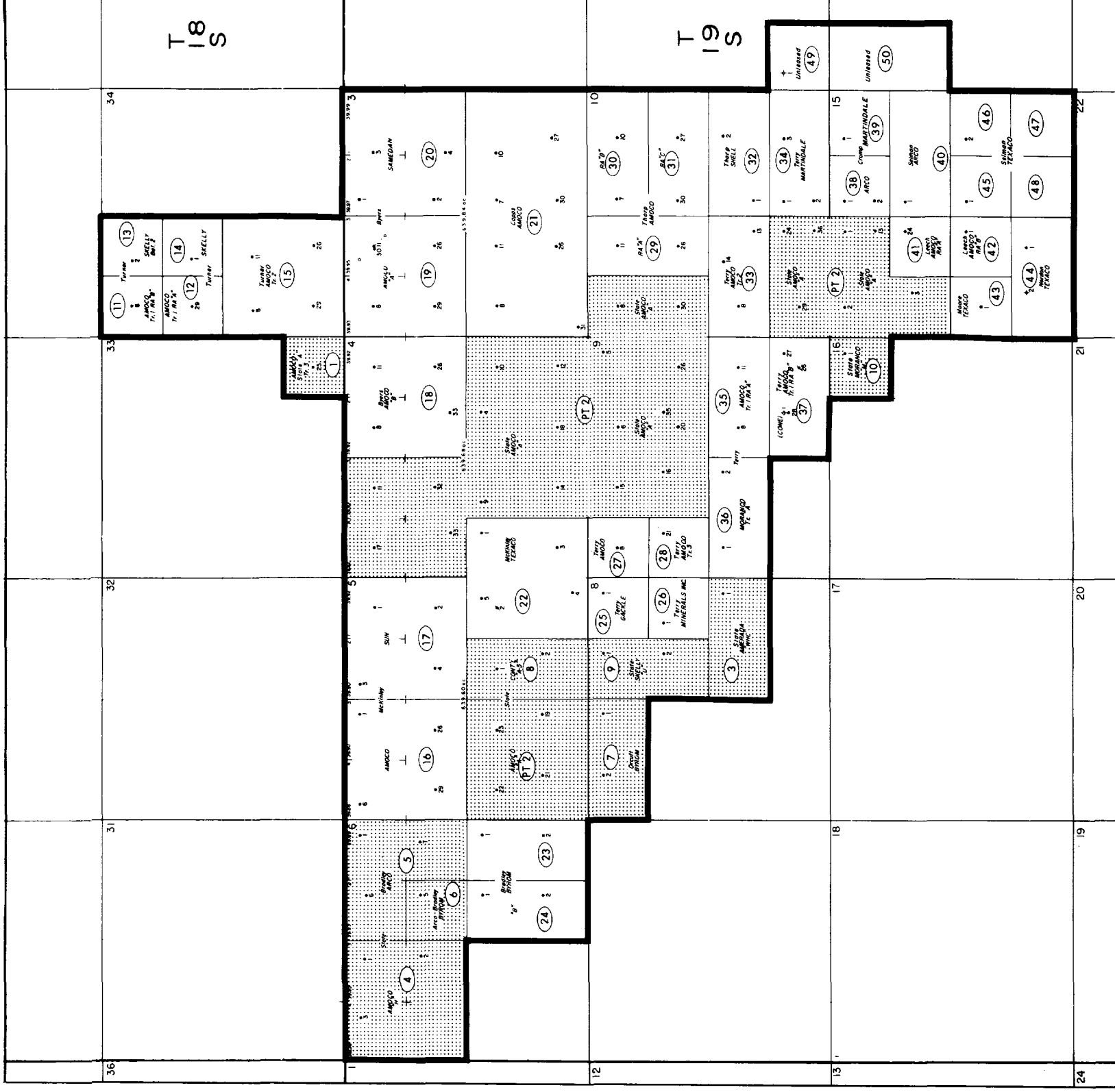
GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of June, 1974.

Dorothy E. Middleton
Notary Public in and for
Harris County, Texas

DOROTHY E. MIDDLETON

Notary Public in and for Harris County, Texas

My Commission Expires 6-1-75



R 38 E

—|— legend —
 — TRACT BOUNDARY
 STATE LAND
 FEE LAND
 UNIT BOUNDARY

EXHIBIT "A"
TO
UNIT AGREEMENT
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT

Lea County, New Mexico



EXHIBIT "B"
TO
UNIT AGREEMENT
SCHEDULE SHOWING TRACT PARTICIPATIONS AND PERCENTAGE
AND KIND OF OWNERSHIP OF ALL LANDS WITHIN THE
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
<u>T-18-S, R-38-E</u>							
1	SE/4 SE/4 Sec. 33	40.00	A-1212-1 10-18-28	State-A11	Amoco Production Company	None	Amoco Production Company-100%
<u>T-19-S, R-38-E</u>							
2	NW/4, E/2 SW/4, SE/4 Sec. 4 SW/4 Sec. 5 E/2 NW/4, NE/4 Sec 9 W/2 NW/4, S/2 SW/4 Sec. 10 N/2 NW/4, SW/4 NW/4 Sec. 15	1,079.84	A-1212-1 10-18-28	State-A11	Amoco Production Company	Amoco Production Company-.09261%	Amoco Production Company-100%
3	N/2 SE/4 Sec. 8	80.00	A-1469-2 12-18-28	State-A11	Amerada Hess Corporation	None	Amerada Hess Corporation-100%
4	NW/4 Sec. 6	157.32	A-1646-9 1-11-29	State-A11	Robert M. Taubman	None	Amoco Production Company-37.71751% Landreth Interests -12.28249% J. H. Morris Agent-50.00000%
5	N/2 NE/4, SE/4 NE/4 Sec. 6	117.32	A-1646-5 1-11-29	State-A11	Atlantic Richfield Company	None	Atlantic Richfield Company-100%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
6	SW/4 NE/4 Sec. 6	40.00	A-1646-5 1-11-29	State-A11	Atlantic Richfield Company	Atlantic Richfield Company-10.93750%	W. K. Byrom-100%
7	N/2 NW/4 Sec. 8	80.00	B-244-1 9-10-31	State-A11	Gulf Oil Corporation	Gulf Oil Corporation -5.46880%	W. K. Byrom-75.00% M. M. McPherson-12.50% R. L. McPherson-6.25% Colleen M. Wallace-6.25%
8	W/2 SE/4 Sec. 5	80.00	B-2656 9-23-33	State-A11	Continental Oil Company	None	Continental Oil Company-100%
9	W/2 NE/4 Sec. 8	80.00	E-3290 2-10-50	State-A11	Skelly Oil Company	None	Skelly Oil Company-100%
10	NE/4 NE/4 Sec. 16	40.00	E-8432-2 8-17-54	State-A11	Moranco (Moran Oil Producing & Drilling Corporation)	None	Moranco-100%

Ten (10) State Tracts totaling 1,794.48 acres consisting of 35.37 percent of the Unit Area.

T-18-S, R-38-E

11	NW/4 NW/4 Sec. 34	40.00	Fee-HBP	Atlantic Richfield Company -9.37504% *	Amoco Production Company	None	Amoco Production Company-100%
12	SW/4 NW/4 Sec. 34	40.00	Fee-HBP	Atlantic Richfield Company -9.37504% *	Amoco Production Company	None	Amoco Production Company-100%
13	NE/4 NW/4 Sec. 34	40.00	Fee-HBP	Marshall & Winston Inc. -12.5% *	Skelly Oil Company	None	Skelly Oil Company-100%
14	SE/4 NW/4 Sec. 34	40.00	Fee-HBP	Atlantic Richfield Company - 9.37504% *	Skelly Oil Company	None	Skelly Oil Company-100%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
15	SW/4 Sec. 34	160.00	Fee-HBP	Bonnie R. Etz -12.5% *	Amoco Production Company	None	Amoco Production Company-100%
	<u>T-19-S, R-38-E</u>						
16	NW/4 Sec. 5	159.78	Fee-HBP	J.M.R. Lyeth, Jr. & M. L. Lyeth -14.06248% *	Amoco Production Company	None	Amoco Production Company-100%
17	NE/4 Sec. 5	159.82	Fee-HBP	J.M.R. Lyeth, Jr. & M. L. Lyeth -14.06248% *	Sun Oil Company	None	Sun Oil Company-100%
18	NE/4 Sec. 4	159.82	Fee-HBP	Minnie Byers Life Est. -20.83336% *	Amoco Production Company	None	Amoco Production Company-100%
19	NW/4 Sec. 3	159.88	Fee-HBP	Minnie Byers Life Est. -20.8332% *	Amoco Production Company	None	Amoco Production Company-100%
20	NE/4 Sec. 3	159.96	Fee-HBP	Continental Oil Company - 25.00000% *	Samedan Oil Corporation	Alfred R. Thomas - .06740% *	Samedan Oil Corporation - 87.125%; J. P. Cusack-8.500%; J. P. Cusack, Jr.-2.000%; M. F. Cusack-2.000%; Sea Properties Ltd.-.375%
21	S/2 Sec. 3	320.00	Fee-HBP	C. F. Bedford -10.5% *	Amoco Production Company	None	Amoco Production Company-100%
22	W/2 SW/4 Sec. 4 E/2 SE/4 Sec. 5	160.00	Fee-HBP	Cities Service Oil Company 16.66664% *	Texaco, Inc.	None	Texaco, Inc.-100%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
23	E/2 SE/4 Sec. 6	80.00	Fee-HBP	Clara Fowler -18.93909% *	W. K. Byrom	Cities Service Oil Company -2.39260% *	W. K. Byrom-50.0000% M. M. McPherson-12.5000% J. M. Zachary-10.3125% Neville G. Penrose - 8.1250% Partnership Properties Company-6.5625% R. L. McPherson- 6.2500% Colleen M. Wallace- 6.2500%
24	W/2 SE/4 Sec. 6	80.00	Fee-HBP	Clara Fowler -15.06139% *	W. K. Byrom	Cities Service Oil Company - 3.75980% *	W. K. Byrom- 46.67215% M. M. McPherson- 11.66807% J. M. Zachary- 9.62616% Neville G. Penrose 7.58424% Chas. B. Read- 6.65559% Partnership Properties Company-6.12573% R. L. McPherson- 5.83403% Colleen M. Wallace- 5.83403%
25	NE/4 NE/4 Sec. 8	40.00	Fee-HBP	Will N. Terry Trust-37.50% *	Albert Gackie, Operator	Amoco Production Company-S. 46875%	Albert Gackie, Operator- 16.66667% Margaret Clay - 7.08332% Rufus G. Clay Trusts 1, 2 and 3 - 7.08332%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
26	SE/4 NE/4 Sec. 8	40.00	Fee-HBP	Will N. Terry Trust-37.50% *	Minerals, Inc.	Amoco Production Company-6.25000% *	W. J. & Ellen H. Clay Trusts-14.16668%; Management Trust Co.-4.99999%; Adelaide Dwight - 16.66667%; Est. of James H. Snowden - 16.66668%; James M. Snowden - 16.66667%
27	NW/4 NW/4 Sec. 9	40.00	Fee-HBP	Atlantic Richfield Company -25.00% *	Amoco Production Company	None	Amoco Production Company-100%
28	SW/4 NW/4 Sec. 9	40.00	Fee-HBP	Atlantic Richfield Company -25.00% *	Amoco Production Company	None	Amoco Production Company-100%
29	E/2 NW/4 Sec. 10	80.00	Fee-HBP	Atlantic Richfield Company -37.50% *	Amoco Production Company	None	Amoco Production Company-100%
30	N/2 NE/4 Sec. 10	80.00	Fee-HBP	Bessie Dunnam -8.33336% *	Amoco Production Company	None	Amoco Production Company-100%
31	S/2 NE/4 Sec. 10	80.00	Fee-HBP	Elliott Oil Company-25.00% *	Amoco Production Company	None	Amoco Production Company-100%
32	N/2 SE/4 Sec. 10	80.00	Fee-HBP	Elliott Oil Company-25.00% *	Shell Oil Company	None	Shell Oil Company -100%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
33	N/2 SW/4 Sec. 10	80.00	Fee-HBP	Atlantic Richfield Company -12.5% *	Amoco Production Company	None	Amoco Production Company-100%
34	S/2 SE/4 Sec. 10	80.00	Fee-HBP	Unknown **	R. L. Summers	None	R. L. Summers - 66.66667% M. M. McPherson - 16.66667% R. L. McPherson - 8.33333% Colleen M. Wallace - 8.33333%
35	N/2 SE/4 Sec. 9	80.00	Fee-HBP	Cities Service Oil Company -16.66667% *	Amoco Production Company	None	Amoco Production Company-100%
36	N/2 SW/4 Sec. 9	80.00	Fee-HBP	Atlantic Richfield Company -25.00% *	Moranco (Moran Oil Prod. and Drilling Corp.)	Amoco Production Company-6.25%	Moranco-100%
37	S/2 SE/4 Sec. 9	80.00	Fee-HBP	Cities Service Oil Company -16.66667% *	Amoco Production Company	None	Amoco Production Company-100%
38	NW/4 NE/4 Sec. 15	40.00	Fee-HBP	The Walker Oil Corporation -25.00% *	Atlantic Richfield Company	None	Atlantic Richfield Company-100%
39	NE/4 NE/4 Sec. 15	40.00	Fee-HBP	The Walker Oil Corporation -25.00% *	McPherson Operating Account	Atlantic Richfield Company - 12.50%	Margaret M. McPherson - 50% R. L. McPherson - 25% Colleen M. Wallace - 25%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
40	S/2 NE/4 Sec. 15	80.00	Fee-HBP	The Walker Oil Corporation -25.00% *	Atlantic Richfield Company	None	Atlantic Richfield Company-100%
41	SE/4 NW/4 Sec. 15	40.00	Fee-HBP	Joanne Grieb -25.00% *	Amoco Production Company	None	Amoco Production Company-100%
42	NE/4 SW/4 Sec. 15	40.00	Fee-HBP	Joanne Grieb -25.00% *	Amoco Production Company	None	Amoco Production Company-100%
43	NW/4 SW/4 Sec. 15	40.00	Fee-HBP	Marshall & Winston Inc. -28.12508% *	Texaco, Inc.	None	Texaco, Inc. - 18.05555% Helen Avara - 4.16667% J.P. & Ila Crawford - 2.77776% Mary Dunbar - 4.16667% Joanne Grieb - 25.00000% W. J. Harris - .92593% Danco Oil Company - 12.50000% Christine Johnson - 4.16668% Margaret Harris Long - .92593% The Moore Trust - 12.5000% V. V. Harris, Jr. Estate-.92593% Loma, Inc.-6.25000% G. Rogers-6.25000% J. B. Umpleby Estate - 1.38888%
44	S/2 SW/4 Sec. 15	80.00	Fee-HBP	United States Smelting, Refining & Mining Company- 21.33725% *	Texaco, Inc.	None	Texaco, Inc.-95.83333% Amoco Production Company-4.16667%

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Percentage Ownership of Basic Royalty	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
45	NW/4 SE/4 Sec. 15	40.00	Fee-HBP	Nordon Corporation, Ltd.- 25.00% *	Texaco, Inc.	None	Texaco, Inc.-100%
46	NE/4 SE/4 Sec. 15	40.00	Fee-HBP	Nordon Corporation, Ltd.- 25.00% *	Texaco, Inc.	None	Texaco, Inc.-100%
47	SE/4 SE/4 Sec. 15	40.00	Fee-HBP	Alma Oil Company -25.00% *	Texaco, Inc.	None	Texaco, Inc.-100%
48	SW/4 SE/4 Sec. 15	40.00	Fee-HBP	Alma Oil Company -25.00% *	Texaco, Inc.	None	Texaco, Inc.-100%
49	SW/4 SW/4 Sec. 11	40.00	Fee-HBP	Unknown **	Unleased		Unleased
50	W/2 NW/4 Sec. 14	80.00	Fee-HBP	Unknown **	Unleased		Unleased

Forty (40) Fee Tracts totaling 3,279.26 acres consisting of 64.63 percent of the Unit Area.

RECAPITULATION OF NUMBER OF ACRES

State Lands	1,794.48 acres	35.37 percent
Fee Lands	<u>3,279.26 acres</u>	<u>64.63 percent</u>
	5,073.74 acres	100.00 percent

* Largest Royalty Interest. Owner only is shown except where one or more owners have identical interests. Complete royalty ownership will be furnished upon request.

** Royalty Interest Ownership is not available or is unknown.

EXHIBIT "B"
TO
UNIT AGREEMENT
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

S U M M A R Y

Working Interest Owner	Tract Numbers	Unit Participation - %		
		Phase I	Phase II	Phase III
Amerada Hess Corporation	3	.00000	.10325	.00650
Amoco Production Company	1	2.15837	1.60863	2.09710
	2	26.12872	25.11866	30.56335
	4	.53001	.59289	.25970
	11	2.66758	1.89310	2.13625
	12	2.07967	1.65055	2.52500
	15	7.35405	6.04818	7.88115
	16	7.29832	5.76380	5.47440
	18	5.96554	5.43484	8.30632
	19	4.31108	4.17761	4.55077
	21	6.99465	6.80727	6.47467
	27	.28327	.57000	.51738
	28	.14554	.30451	.23639
	29	.91599	1.38285	2.58811
	30	1.25956	1.27253	.75697
	31	2.50174	1.92804	1.07076
	33	.94037	1.34872	1.39262
	35	.48790	1.00567	.69290
	37	.33564	.68777	.25844
	41	.22209	.49063	.27071
	42	.17083	.32575	.33192
	44	.00698	.02126	.00752
		<u>72.75790</u>	<u>68.43326</u>	<u>78.39243</u>
Atlantic Richfield Company	5	3.75878	3.12589	1.16496
	38	.00000	.50165	.30377
	40	.00000	.57569	.27038
		<u>3.75878</u>	<u>4.20323</u>	<u>1.73911</u>

<u>Working Interest Owner</u>	<u>Tract Numbers</u>	<u>Unit Participation - %</u>		
		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
Helen Avara	43	.00000	.00868	.00228
W. K. Byrom	6	.41381	.47722	.32394
	7	.32548	.50300	.18919
	23	.47393	.52416	.16905
	24	.33477	.37095	.13593
		<u>1.54799</u>	<u>1.87533</u>	<u>.81811</u>
Margaret B. Clay	25	.01216	.02531	.02028
Rufus G. Clay Trusts Nos. 1, 2 & 3	25	.01216	.02531	.02028
W. J. & Ellen Clay Trusts	25	.02433	.05062	.04056
Continental Oil Company	8	1.46091	1.68780	1.57486
J. P. & Ila Crawford	43	.00000	.00578	.00152
J. P. Cusack	20	.11012	.18884	.10067
J. P. Cusack, Jr.	20	.02591	.04444	.02369
Michael F. Cusack	20	.02591	.04443	.02369
Mary Dunbar	43	.00000	.00868	.00228
Adelaide Dwight	25	.02863	.05955	.04772
Albert Gackle, Operator	25	.02863	.05956	.04772
Joanne Grieb	43	.00000	.05206	.01370
V. V. Harris, Jr., Estate	43	.00000	.00193	.00051
W. J. Harris	43	.00000	.00193	.00051
Dalco Oil Company	43	.00000	.02603	.00685

<u>Working Interest Owner</u>	<u>Tract Numbers</u>	<u>Unit Participation - %</u>		
		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
Christine Johnson	43	.00000	.00868	.00228
Landreth Interests	4	.17259	.19307	.08457
Loma, Inc.	43	.00000	.01302	.00342
Margaret Harris Long	43	.00000	.00193	.00051
Management Trust Company, Trustee	25	.00859	.01787	.01431
R. L. McPheron	7	.02712	.04192	.01577
	23	.05924	.06552	.02113
	24	.04185	.04637	.01699
	34	.09438	.12207	.07198
	39	.06814	.09475	.06215
		<u>.29073</u>	<u>.37063</u>	<u>.18802</u>
Margaret M. McPheron	7	.05425	.08383	.03153
	23	.11848	.13104	.04226
	24	.08369	.09274	.03398
	34	.18875	.24413	.14395
	39	.13629	.18950	.12429
		<u>.58146</u>	<u>.74124</u>	<u>.37601</u>
Minerals, Inc.	26	.27769	.37911	.20638
The Moore Trust	43	.00000	.02603	.00685
Moranco	10	.08284	.25690	.04660
	36	.24400	.53460	.19921
		<u>.32684</u>	<u>.79150</u>	<u>.24581</u>
J. H. Morris, as Agent	4	.70261	.78597	.34427

<u>Working Interest Owners</u>	<u>Tract Numbers</u>	<u>Unit Participation - %</u>		
		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
Neville G. Penrose	23	.07701	.08518	.02747
	24	.05440	.06028	.02209
		<u>.13141</u>	<u>.14546</u>	<u>.04956</u>
Partnership Properties Company	23	.06220	.06879	.02219
	24	.04394	.04869	.01784
		<u>.10614</u>	<u>.11748</u>	<u>.04003</u>
Charles B. Read	24	.04774	.05290	.01938
George Rogers	43	.00000	.01301	.00342
Samedan Oil Corporation	20	1.12875	1.93563	1.03187
Sea Properties, Ltd.	20	.00486	.00833	.00444
Shell Oil Company	32	.77929	1.14829	1.05516
Skelly Oil Company	9	.72690	.89555	.28652
	13	2.41042	1.75577	1.26814
	14	1.32946	1.24827	1.82891
		<u>4.46678</u>	<u>3.89959</u>	<u>3.38357</u>
Estate of James H. Snowden	25	.02863	.05956	.04772
James M. Snowden	25	.02863	.05956	.04772
R. L. Summers	34	.75502	.97650	.57578
Sun Oil Company	17	4.76117	4.79863	5.37857

<u>Working Interest Owners</u>	<u>Tract Numbers</u>	<u>Unit Participation - %</u>		
		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
Texaco, Inc.	22	4.50908	4.09088	3.24119
	43	.00000	.03760	.00989
	44	.16051	.48890	.17296
	45	.43169	.56743	.25109
	46	.04882	.24463	.02665
	47	.00000	.11627	.00380
	48	.00000	.21081	.02053
		<u>5.15010</u>	<u>5.75652</u>	<u>3.72611</u>
J. B. Umpleby Estate	43	.00000	.00289	.00076
Colleen McPherson Wallace	7	.02712	.04192	.01577
	23	.05924	.06552	.02113
	24	.04185	.04637	.01699
	34	.09438	.12206	.07197
	39	.06815	.09475	.06215
		<u>.29074</u>	<u>.37062</u>	<u>.18801</u>
J. M. Zachary	23	.09775	.10811	.03487
	24	.06905	.07651	.02804
		<u>.16680</u>	<u>.18462</u>	<u>.06291</u>
Unleased	49	.00000	.06759	.01977
	50	.00000	.16775	.00952
		<u>.00000</u>	<u>.23534</u>	<u>.02929</u>
TOTAL		<u>100.00000</u>	<u>100.00000</u>	<u>100.00000</u>

EXHIBIT "C"
TO
UNIT AGREEMENT
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

Tract No.	Description	Tract Participation - %		
		Phase I	Phase II	Phase III
<u>TOWNSHIP 18 SOUTH, RANGE 38 EAST</u>				
1	Section 33: SE/4 SE/4	2.15837	1.60863	2.09710
<u>TOWNSHIP 19 SOUTH, RANGE 38 EAST</u>				
2	Section 4: NW/4, E/2 SW/4, SE/4 Section 5: SW/4 Section 9: E/2 NW/4, NE/4 Section 10: W/2 NW/4, S/2 SW/4 Section 15: N/2 NW/4, SW/4 NW/4	26.12872	25.11866	30.56335
3	Section 8: N/2 SE/4	.00000	.10325	.00650
4	Section 6: NW/4	1.40521	1.57193	.68854
5	Section 6: N/2 NE/4, SE/4 NE/4	3.75878	3.12589	1.16496
6	Section 6: SW/4 NE/4	.41381	.47722	.32394
7	Section 8: N/2 NW/4	.43397	.67067	.25226
8	Section 5: W/2 SE/4	1.46091	1.68780	1.57486
9	Section 8: W/2 NE/4	.72690	.89555	.28652
10	Section 16: NE/4 NE/4	.08284	.25690	.04660
<u>TOWNSHIP 18 SOUTH, RANGE 38 EAST</u>				
11	Section 34: NW/4 NW/4	2.66758	1.89310	2.13625
12	Section 34: SW/4 NW/4	2.07967	1.65055	2.52500
13	Section 34: NE/4 NW/4	2.41042	1.75577	1.26814

Tract No.	Description		Tract Participation - %		
			Phase I	Phase II	Phase III
TOWNSHIP 18 SOUTH, RANGE 38 EAST					
14	Section 34	SE/4 NW/4	1.32946	1.24827	1.82891
15	Section 34	SW/4	7.35405	6.04818	7.88115
TOWNSHIP 19 SOUTH, RANGE 38 EAST					
16	Section 5	NW/4	7.29832	5.76380	5.47440
17	Section 5	NE/4	4.76117	4.79863	5.37857
18	Section 4	NE/4	5.96554	5.43484	8.30632
19	Section 3	NW/4	4.31108	4.17761	4.55077
20	Section 3	NE/4	1.29555	2.22167	1.18436
21	Section 3	S/2	6.99465	6.80727	6.47467
22	Section 5 Section 4	E/2 SE/4 W/2 SW/4	4.50908	4.09088	3.24119
23	Section 6	E/2 SE/4	.94785	1.04832	.33810
24	Section 6	W/2 SE/4	.71729	.79481	.29124
25	Section 8	NE/4 NE/4	.17176	.35734	.28631
26	Section 8	SE/4 NE/4	.27769	.37911	.20638
27	Section 9	NW/4 NW/4	.28327	.57000	.51738
28	Section 9	SW/4 NW/4	.14554	.30451	.23639
29	Section 10	E/2 NW/4	.91599	1.38285	2.58811
30	Section 10	N/2 NE/4	1.25956	1.27253	.75697
31	Section 10	S/2 NE/4	2.50174	1.92804	1.07076
32	Section 10	N/2 SE/4	.77928	1.14829	1.05516
33	Section 10	N/2 SW/4	.94037	1.34872	1.39262

<u>Tract No.</u>		<u>Description</u>	<u>Tract Participation - %</u>		
			<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
34	Section 10	S/2 SE/4	1.13253	1.46476	.86368
35	Section 9	N/2 SE/4	.48790	1.00567	.69290
36	Section 9	N/2 SW/4	.24400	.53460	.19921
37	Section 9	S/2 SE/4	.33564	.68777	.25844
38	Section 15	NW/4 NE/4	.00000	.50165	.30377
39	Section 15	NE/4 NE/4	.27258	.37900	.24859
40	Section 15	S/2 NE/4	.00000	.57569	.27038
41	Section 15	SE/4 NW/4	.22209	.49063	.27071
42	Section 15	NE/4 SW/4	.17083	.32575	.33192
43	Section 15	NW/4 SW/4	.00000	.20825	.05478
44	Section 15	S/2 SW/4	.16749	.51016	.18048
45	Section 15	NW/4 SE/4	.43170	.56744	.25109
46	Section 15	NE/4 SE/4	.04882	.24463	.02666
47	Section 15	SE/4 SE/4	.00000	.11627	.00379
48	Section 15	SW/4 SE/4	.00000	.21080	.02053
49	Section 11	SE/4 SW/4	.00000	.06759	.01977
50	Section 14	W/2 NW/4	<u>.00000</u>	<u>.16775</u>	<u>.00952</u>
			100.00000%	100.00000%	100.00000%

EXHIBIT "D"

ATTACHED TO AND MADE A PART OF THE UNIT AGREEMENT
SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

I N D E M N I T Y A G R E E M E N T

WHEREAS, Section 9.1.3 of an agreement entitled "Unit Agreement, South Hobbs (Grayburg-San Andres) Unit, Lea County, New Mexico," dated May 1, 1974, provides that under certain circumstances and conditions therein stated a Tract that fails to qualify for inclusion in the Unit Area may be included if the requisite Working Interest Owners in the Tract as specified in said Section request the inclusion of the Tract in the Unit Area and execute and deliver, or obligate themselves to execute and deliver, an indemnity agreement; and

WHEREAS, Tract _____, described in the Unit Agreement is such a Tract; and

WHEREAS, the undersigned are owners of Working Interest in such Tract and have become parties to the Unit Agreement and the Unit Operating Agreement and desire the inclusion of the Tract in the Unit Area;

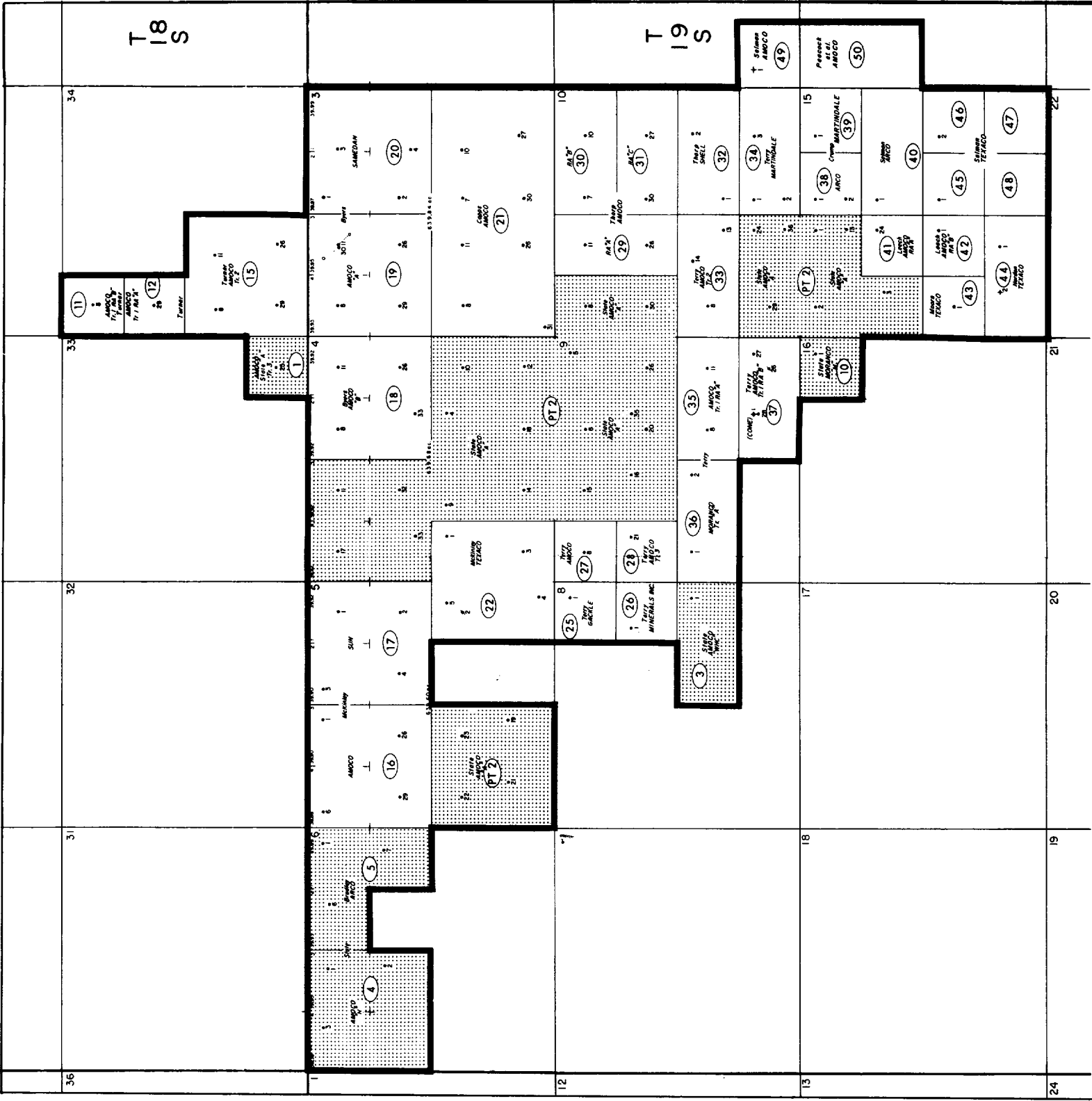
NOW THEREFORE, in consideration of and conditioned upon said Tract meeting the other requirements of the aforesaid Section of the Unit Agreement and its inclusion in the Unit Area the undersigned hereby request the inclusion of the above Tract in the Unit Area and agree, together with other owners of Working Interest in the Tract who execute and deliver, or who obligate themselves to execute and deliver, like indemnity agreements, to indemnify and hold harmless all other Working Interest Owners in the Unit Area against all claims and demands required by said Section to be the subject of such indemnity. Any liability arising hereunder shall be borne by the undersigned and other Working Interest Owners in the Tract who are committed to like indemnity agreements in the proportion that the Working Interest of each in the Tract bears to the total Working Interest therein of all the owners of Working Interest in the Tract committed to such indemnity agreement.

This indemnity shall become void with respect to all claims and demands based upon occurrences subsequent to the time when the conditions are met that would have initially qualified such Tract for inclusion in the Unit Area without this indemnity.

This agreement shall be binding upon and inure to the benefit of the heirs, devisees, legal representatives, successors, and assigns of

the respective parties initially bound or benefited by the provisions hereof.

IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date opposite its signature.



15 1/2 48 - 5810
3039.26 - Fee
4553.74 Total

R 38 E

— legend —
TRACT BOUNDARY
STATE LAND
FEE LAND
UNIT BOUNDARY

#5371

SOUTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
Lea County, New Mexico
GRAPHIC SCALE
0 1000' 2000' 3000' 4000' 5000'