## UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE LUSK STRAWN DEEP UNIT LEA AND EDDY COUNTIES, NEW MEXICO

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1	UNIT AGREEMENT
2	FOR THE DEVELOPMENT AND OPERATION
3	OF THE LUSK STRAWN DEEP UNIT
4	LEA AND EDDY COUNTIES, NEW MEXICO
5	
6	THIS AGREEMENT entered into as of the day of
7	1973, by and between the parties subscribing, ratifying or con-
8	senting hereto, and herein referred to as "parties hereto".
9	WITNESSETH: That,
10	WHEREAS, the parties hereto are the owners of working,
11	royalty, or other oil or gas interests in the unit area subject
12	to this agreement; and
13	WHEREAS, the Oil Conservation Commission of the State of
14	New Mexico is authorized by law (Art. 3, Chap. 65, Vol. 9, part 2
15	N.M.S.A. 1953) to approve this agreement and the conservation
16	provisions hereof, and
17	WHEREAS, the Commissioner of Public Lands of the State of
18	New Mexico is authorized to amend, with the approval of the lessee,
19	state oil and gas leases so that the terms thereof may coincide
20	with the terms of the unit agreements embracing such lands (Sec.
21	7-11-41 N.M.S.A. 1953); and
22	WHEREAS, the Mineral Leasing Act of February 25, 1920, 41
23	Stat. 437, as amended, 30 U.S.C. Sections 181 et seq., authorizes
24	Federal lessees and their representatives to unite with each other,
25	or jointly or separately with others, in collectively adopting
26	and operating a cooperative or unit plan of development or operation
27	of any oil or gas pool, field or like area, or any part thereof
28	for the purpose of more properly conserving the natural resources
29	thereof whenever determined and certified by the Secretary of the
30	Interior to be necessary or advisable in the public interest; and

- WHEREAS, the parties hereto hold sufficient interests in 1 2 the Lusk Strawn Deep Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and 3 WHEREAS, it is the purpose of the parties hereto to enable 4
- institution and consummation of secondary recovery operations, 5
- 6 conserve natural resources, prevent waste and secure the other
- 7 benefits obtainable through development and operation of the area
- 8 subject to this agreement under the terms, conditions and limitations
- 9 herein set forth;
- 10 NOW, THEREFORE, in consideration of the premises and the
- 11 promises herein contained, the parties hereto commit to this agree-
- 12 ment their respective interests in the unitized formation of the
- 13 below defined unit area, and agree severally among themselves as
- 14 follows:
- SECTION 1. ENABLING ACT AND REGULATIONS. The Mineral 15
- Leasing Act of February 25, 1920, as amended, supra, and all valid 16
- pertinent regulations, including operating and unit plan regula-17
- tions, heretofore issued thereunder and valid pertinent and reason-18
- able regulations hereafter issued thereunder are accepted and made 19
- a part of this agreement as to Federal lands, provided such regu-20
- lations are not inconsistent with the terms of this agreement; and 21
- 22 as to non-federal lands, the oil and gas operating regulations in
- effect as of the effective date hereof governing drilling and pro-23
- ducing operations, not inconsistent with the terms hereof or the 24
- 25 laws of the State of New Mexico, are hereby accepted and made a
- part of this agreement. 26
- UNIT AREA AND DEFINITIONS. The area described 27 SECTION 2.
- in Exhibit "B" and depicted on Exhibit "A" attached hereto is 28
- hereby designated and recognized as constituting the unit area, 29
- containing 20,863.88 acres, more or less, in Lea and Eddy Counties, 30
- 31 New Mexico. Said land is described as follows:

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1
                    Township 18 South, Range 32 East, N.M.P.M.
                       Section 31: Lots 3, 4, E2W2
                       Section 32: W1, W2SE4
 2
                    Township 19 South, Range 31 East, N.M.P.M.

Section 1: Lot 1, SE4NE4, SW4, S2SE4, NE4SE4

Section 2: S2, S2N2
 3
 4
                                          SISEI, NEISEI
                       Section 3:
 5
                       Section 10:
                                          E1, E1NW1, NE1SW1
                       Section 11:
                                          All
                       Section 12:
 6
                                          All
                       Section 13:
                                          All
 7
                       Section 14:
                                          All
                       Section 15:
Section 21:
Section 22:
                                          E^{\frac{1}{2}}
                                          SISEI, SEISWI
 8
                                          S1, NE4, SE4NW4
 9
                       Section 23:
                                          A11
                       Section 24:
                                          A11
                       Section 25:
Section 26:
10
                                          All
                                          N1, N1S1, SW4SW4
                       Section 27:
                                          N_{\frac{1}{2}}
11
                       Section 28:
                                          All
                       Section 29:
12
                                          E\SE\
                       Section 32: NE¼NE¼
Section 33: NW¼, N½SW¼,
Section 36: NE¼NW¼, NE¼
                                          NW4, N\2SW4, SE\3SW4
13
14
                    Township 19 South, Range 32 East, N.M.P.M. Section 4: W\2SW\4
                       Section 4:
Section 5:
15
                                          W1, SE1, W2NE1, SE1NE1
                                          Lots 1, 2, 3, 4, E^{\frac{1}{2}}, E^{\frac{1}{2}}W^{\frac{1}{2}} (All)
Lots 1, 2, 3, 4, E^{\frac{1}{2}}, E^{\frac{1}{2}}W^{\frac{1}{2}} (All)
16
                       Section 6:
                       Section 7:
17
                       Section 8:
                                          A11
                                    9:
                                          NW4NW4, SW4SW4
                       Section
                       Section 16:
                                          W1, SW1NE1, W1SE1
18
                       Section 17:
                                          All
                                          Lots 1, 2, 3, 4, E½, E½W½ (All)
Lots 1, 2, 3, 4, E½, E½W½ (All)
19
                       Section 18:
                       Section 19:
                       Section 20:
Section 21:
20
                                          All
                                          St, NWt, SETNET, WINET
                       Section 22:
                                          SW4, S\SE\4, NW\4SE\4
21
                                          W1, N1NE1, SW1NE1, NW1SE1
                       Section 27:
22
                       Section 28:
                                          All
                       Section 29:
                                          A11
                                          Lots 1, 2, 3, 4, E½, E½W½ (All)
Lots 1, 2, 3, 5, 6, 7, NE¼, E½NW¼, N½SE¼, NE¼SW¼
Lots 1, 2, 3, 4, N½, N½S½ (All)
Lots 1, 2, NW¼, N½NE¼, SW¼NE¼, N½SW¼, NW¼SE¼
                       Section 30:
Section 31:
23
                       Section 32:
24
                       Section 33:
25
                    Township 20 South, Range 32 East, N.M.P.M. Section 4: Lot 4
26
                       Section 5: Lots 1, 2, 3, 4
27
                       Section 6:
                                         Lots 1, 2
28
                    For the purpose of this agreement, the following terms
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and expressions as used herein shall mean:

- 1 (a) "Commissioner" is defined as the Commissioner
- 2 of Public Lands of the State of New Mexico.
- 3 (b) "Commission" is defined as the Oil Conservation
- 4 Commission of the State of New Mexico.
- 5 (c) "Director" is defined as the Director of the
- 6 United States Geological Survey.
- 7 (d) "Secretary" is defined as the Secretary of the
- 8 Interior of the United States of America.
- 9 (e) "Department" is defined as the Department of
- 10 the Interior of the United States of America.
- 11 (f) "Supervisor" is defined as the Oil and Gas Super-
- 12 visor of the United States Geological Survey for the area in which
- 13 the unit area is situated.
- 14 (g) "Unitized Formation" shall mean that subsurface
- 15 portion of the unit area known as the Strawn zone and more speci-
- 16 fically defined as the vertical interval from 11,097 feet to
- 17 11,504 feet on the Schlumberger Gamma Ray Sonic log run in the
- 18 El Paso Natural Gas Company Lusk Deep No. 2 well located in the
- 19 SW4SE4 Section 18, Township 19 South, Range 32 East, N.M.P.M.
- 20 (h) "Unitized Substances" is defined as and shall
- 21 mean all oil, gas, gaseous substances, sulphur contained in gas,
- 22 condensate, distillate and all associated and constituent liquid
- or liquefiable hydrocarbons within and produced from the unitized
- 24 formation of the unitized land.
- 25 (i) "Tract" is defined as each parcel of land described
- 26 as such and given a tract number in Exhibit "B".
- 27 (j) "Tract Participation" is defined as that percen-
- 28 tage of participation shown on Exhibit "C" for allocating unitized
- 29 substances produced from the unitized formation to a tract under
- 30 this agreement.

- 1 (k) "Unit participation" of each working interest
- 2 owner is defined as the sum of the percentages obtained by multi-
- 3 plying such working interest owner's fractional working interest
- 4 in each tract by the tract participation of such tract.
- 5 (1) "Working interest" is defined as the right to
- 6 search for, produce and acquire unitized substances whether held
- 7 as an incident of ownership of mineral fee simple title, under
- 8 an oil and gas lease, or otherwise held, which interest is
- 9 chargeable with and obligated to pay or bear, either in cash or
- 10 out of production, or otherwise, all or a portion of the cost of
- 11 drilling, developing and producing the unitized substances from
- 12 the unitized formation and operating therefor hereunder. Any
- 13 interest in unitized substances which is a working interest as
- 14 of the date such interest is committed to this Agreement shall
- 15 thereafter be treated as a working interest for all purposes of
- 16 this Agreement.
- 17 (m) "Working interest owner" is defined as and shall
- 18 mean any party hereto owning a working interest, including a
- 19 carried working interest owner, whether by virtue of a lease,
- 20 operating agreement, fee title or otherwise. The owner of oil and
- 21 gas rights that are free of lease or other instrument conveying
- 22 the working interest to another shall be regarded as a working
- 23 interest owner to the extent of seven eighths (7/8) of his interest
- 24 in unitized substances, and as a royalty owner with respect to his
- 25 remaining one-eighth (1/8) interest therein.
- 26 (n) "Royalty interest" or "royalty" is defined as
- 27 any interest other than a working interest in or right to receive
- 28 a portion of the unitized substances or the proceeds thereof and
- 29 includes the royalty interest reserved by the lessor by an oil
- 30 and gas lease and any overriding royalty interest, oil payment

- 1 interest, or any other payment or burden which does not carry
- 2 with it the right to search for and produce unitized substances.
- 3 (o) "Basic royalty interest" is defined as the royalty
- 4 interest reserved by the lessor in an oil and gas lease.
- 5 (p) "Lessee of record" is defined as the holder of
- 6 record title under a U. S., State or fee oil and gas lease.
- 7 (q) "Royalty owner" is defined as and shall mean
- 8 the owner of a royalty interest.
- 9 (r) "Unit operating agreement" is defined as and
- 10 shall mean any agreement or agreements (whether one or more)
- 11 entered into (separately or collectively) by and between the
- 12 unit operator and the working interest owners as provided in
- 13 Section 9, infra, and shall be styled "Unit Operating Agreement,
- 14 Lusk Strawin Deep Unit, Lea and Eddy Counties, New Mexico".
- 15 (s) "Tract acreage" is defined as the number of
- 16 surface acres contained in each tract as determined and tabulated
- in the Schedule of Participation Parameters.
- 18 (t) "Unit acres" is defined as the sum of tract
- 19 acreage for all tracts within the unit area.
- 20 SECTION 3. EXHIBITS. Exhibit "A" attached hereto is a
- 21 map showing the unit area and, to the extent known to the Unit
- 22 Operator, the boundaries and identity of tracts and leases in
- 23 said unit area. Exhibit "B" attached hereto is a schedule showing,
- 24 to the extent known to the Unit Operator, the acreage comprising
- 25 each Tract, percentage and kind of ownership of oil and gas
- 26 interests in all land within the unit area. Exhibit "C" attached
- 27 hereto is a schedule showing the tract number, description and
- 28 the percentage of participation of each tract in the unit area.
- 29 Nothing herein or in said schedules or map shall be construed as
- 30 a representation by any party hereto as to the ownership of any

- 1 interest other than such interest or interests as are shown in
- 2 said map or schedule as owned by such party.
- 3 Exhibit "A", "B" and "C" shall be revised by the Unit
- 4 Operator whenever changes within the unit area render such re-
- 5 visions necessary or when requested by the Supervisor of Commis-
- 6 sioner, and not less than four copies thereof shall be filed with
- 7 the Supervisor and three copies with the Commissioner.
- 8 SECTION 4. EXPANSION. The above described unit area may,
- 9 with the approval of the Director and Commissioner be expanded to
- 10 include therein any additional tract or tracts regarded as reason-
- 11 ably necessary or advisable for the purposes of this Agreement.
- 12 Such expansion shall be effected in the following manner:
- 13 (a) The working interest owner or owners of a tract
- 14 or tracts desiring to bring such tract or tracts into this unit
- 15 shall file an application therefor with Unit Operator requesting
- 16 such admission.
- 17 (b) Unit Operator shall circulate a notice of the
- 18 proposed expansion to each working interest owner in the unit area
- 19 and in the tract proposed to be included in the unit, setting out
- 20 the basis for admission, the proposed tract participation to be
- 21 assigned to each Tract in the enlarged unit area, and other per-
- 22 tinent data. After negotiation (at working interest owners' meeting
- or otherwise), if 90 percent of the working interest owners (on
- 24 the basis of unit participation) have agreed to inclusion of such
- 25 tract or tracts, then Unit Operator shall, after preliminary con-
- 26 currence by the Director
- (1) Prepare a notice of proposed expansion describing the contemplated changes in the boundaries of the unit area , the reason therefor, the basis for admission of the additional tract or tracts, the tract participation to be assigned each such tract and the effective date thereof, preferably the

first day of the month following final approval thereof as herein provided; and 1 Furnish copies of said notice to the Supervisor, each working interest owner, lessee and lessor whose interests are affected (mailing copy of such notice to the last known address of each such working interest owner), advising such parties that thirty 5 (30) days will be allowed for submission to the Unit Operator of any objection to 6 such proposed expansion; and 7 File, upon the expiration of said thirty (30) day period, as set out in (2) immediately 8 above with the Commissioner and Supervisor, the following: 9 (i) Evidence as to mailing said notice of expansion; (ii) An application for such expansion in sufficient numbers for 10 appropriate approval and distribution; and (iii) An instrument containing the appropriate joinders in compliance with the participation 11 requirements of Section 14 (Tracts Qualified 12 for Participation) and Section 33 (Non-Joinder and Subsequent Joinder), infra; and (iv) A 13 copy of all objections received, along with 14 a copy of the Unit Operator's response thereto. 15 The expansion shall, after due consideration of all per-16 tinent information and upon approval by the Supervisor and the Commissioner, become effective as of the date prescribed in the 17 notice thereof, preferably the first day of a month subsequent 18 to the date of notice. The revised tract participation of the 19 20 respective tracts included within the unit area prior to such enlargement shall remain in the same ratio one to another. 21 UNITIZED LAND AND UNITIZED SUBSTANCES. 22 SECTION 5. land committed to this Agreement as to the unitized formation 23 shall constitute land referred to herein as "unitized land" or 24 "land subject to this Agreement". Unitized substances are defined 25 in Section 2(h) of this Agreement. 26 SECTION 6. UNIT OPERATOR. Llano, Inc., a New Mexico 27

corporation, is hereby designated as Unit Operator, and by signing

this instrument as Unit Operator agrees and consents to accept

the duties and obligations of Unit Operator for the operation,

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- 1 development and production of unitized substances as herein pro-
- 2 vided. Whenever reference is made herein to Unit Operator, such
- 3 reference means the Unit Operator acting in that capacity and
- 4 not as an owner of interests in unitized substances, when such
- 5 interests are owned by it; and the term "working interest owner"
- 6 when used herein shall include or refer to the Unit Operator as
- 7 the owner of a working interest when such an interest is owned by
- 8 it.
- 9 SECTION 7. RESIGNATION OR REMOVAL OF UNIT OPERATOR.
- 10 Unit Operator shall have the right to resign at any time, but
- ll such resignation shall not become effective so as to release
- 12 Unit Operator from the duties and obligations of Unit Operator
- 13 and terminate Unit Operator's rights as such for a period of six
- 14 (6) months after written notice of intention to resign has been
- 15 given by Unit Operator to all working interest owners, the Super-
- 16 visor and the Commissioner and until all unit wells are placed
- in a satisfactory condition for suspension, abandonment or opera-
- 18 tions, whichever is required by the Supervisor and the Commissioner,
- 19 unless a new Unit Operator shall have taken over and assumed the
- 20 duties and obligations of Unit Operator prior to the expiration
- 21 of said period.
- The Unit Operator may, upon default or failure in the per-
- 23 formance of its duties or obligations hereunder, be subject to
- 24 removal by 75 percent of the committed working interest owners
- 25 (on the basis of then current unit participation) exclusive of
- 26 the working interest owner who is the Unit Operator. Such removal
- 27 shall be effective upon notice thereof to the Supervisor and the
- 28 Commissioner.
- In all such instances, the resignation or removal shall
- 30 not be effective until a successor Unit Operator is selected and

- 1 approved as hereinafter provided, and the working interest owners
- 2 shall be jointly responsible for the performance of the duties
- 3 of the Unit Operator and shall, not later than thirty (30) days
- 4 before such resignation or removal becomes effective, appoint
- 5 a Unit Manager to represent them in any action to be taken here-
- 6 under.
- 7 The resignation or removal of Unit Operator under this
- 8 Agreement shall not terminate its right, title or interest as
- 9 the owner of a working interest or other interest in unitized
- 10 substances, but, upon the resignation or removal of Unit Operator
- ll becoming effective, such Unit Operator shall deliver possession
- 12 of all wells, equipment, books and records, materials, appur-
- 13 tenances and any other assets, used in conducting the unit opera-
- 14 tions and owned by the working interest owners (including any and
- 15 all data and information which it might have gained or assembled
- 16 by reason of its operation of the unitized land) to the new duly
- 17 qualified successor Unit Operator or to the Unit Manager if no
- 18 such new Unit Operator has been elected, to be used for the pur-
- 19 pose of conducting unit operations hereunder. Nothing herein
- 20 contained shall be construed to relieve or discharge any Unit
- 21 Operator who resigns or is removed hereunder for any liability
- 22 or duties accruing or performable by it prior to the effective
- 23 date of such resignation or removal.
- 24 SECTION 8. SUCCESSOR UNIT OPERATOR. Whenever the Unit
- 25 Operator shall tender its resignation as Unit Operator or shall
- 26 be removed as hereinabove provided, the working interest owners
- 27 shall select a successor Unit Operator by a majority vote of the
- 28 working interest owners (on the basis of then current unit parti-
- 29 cipation), provided no working interest owner who has been removed
- 30 as Unit Operator may vote for self-succession. Such selection

- 1 shall not become effective until (a) a Unit Operator so selected
- 2 shall accept in writing the duties and responsibilities of Unit
- 3 Operator; and (b) the selection shall have been approved by the
- 4 Supervisor and the Commissioner. If no successor Unit Operator
- 5 or Unit Manager is selected and qualified as herein provided,
- 6 the Supervisor and the Commissioner, at their election, may
- 7 declare this Agreement terminated.
- 8 SECTION 9. ACCOUNTING PROVISIONS AND UNIT OPERATING
- 9 AGREEMENT. Costs and expenses incurred by Unit Operator in con-
- 10 ducting unit operations hereunder shall be paid, apportioned
- 11 among and borne by the working interest owners in accordance with
- 12 the Unit Operating Agreement; however, no such Unit Operating
- 13 Agreement shall be deemed either to modify any of the terms and
- 14 conditions of this Unit Agreement or to relieve the Unit Operator
- of any right or obligation established under this Agreement, and
- 16 in case of any inconsistency or conflict between this Agreement
- 17 and the Unit Operating Agreement, this Agreement shall prevail.
- 18 Three true copies of any Unit Operating Agreement executed pur-
- 19 suant to this section shall be filed with the Supervisor and one
- 20 copy with the Commissioner prior to approval of this Agreement.
- 21 SECTION 10. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR.
- 22 Except as otherwise specifically provided herein, the exclusive
- 23 right, privilege and duty of exercising any and all rights of
- 24 the parties hereto which are necessary or convenient for pros-
- 25 pecting for, producing, storing, allocating and distributing
- 26 the unitized substances are hereby delegated to and shall be
- 27 exercised by the Unit Operator as herein provided. Upon request,
- 28 acceptable evidence of title to said rights shall be deposited
- 29 with said Unit Operator, and together with this Agreement, shall
- 30 constitute and define the rights, privileges and obligations of

- 1 Unit Operator. Nothing herein, however, shall be construed to
- 2 transfer title to any land or to any lease or operating agreement,
- 3 it being understood that under this Agreement the Unit Operator,
- 4 in its capacity as Unit Operator, shall exercise the rights of
- 5 possession and use vested in the parties hereto only for the
- 6 purposes herein specified.
- 7 SECTION 11. USE OF SURFACE AND USE OF WATER.
- 8 (a) The parties hereto, to the extent of their rights
- 9 and interests, hereby grant to Unit Operator the right to use as
- 10 much of the surface of the land within the unit area as may reason-
- ll ably be necessary for unit operations except a site for a gas
- 12 injection, processing or other plant site.
- (b) Unit Operator shall have free use of brine or
- 14 water or both from the unit area for unit operations, except water
- 15 from any well, lake, pond or irrigation ditch of a surface owner.
- 16 (c) Unit Operator shall pay the owner for damages to
- 17 growing crops, timber, fences, improvements and structures on the
- 18 unitized land that result from unit operations.
- 19 SECTION 12. PLAN OF OPERATIONS. It is recognized and agreed
- 20 by the parties hereto that all of the land subject to this Agree-
- 21 ment is reasonably proved to be productive of unitized substances,
- 22 or necessary for unit operations, and that the object and purpose
- of this Agreement is to formulate and to put into effect a secondary
- 24 recovery project in order to effect the greatest economic recovery
- of unitized substances, prevent waste and conserve natural resources
- 26 consistent with good engineering practices expected of a prudent
- 27 operator. The parties hereto agree that the Unit Operator may,
- 28 subject to the consent to a Plan of Operation by the working interest
- 29 owners and approval by the Supervisor and Commissioner, inject into
- 30 the unitized formation, through any well or wells completed therein,

- 1 brine, water, air, gas, oil and any one or more other substances
- 2 whether produced from the unitized land or not, and that the
- 3 location of input wells and the rate of injection therein shall
- 4 be governed by standards of good engineering practices and con-
- 5 servation methods. After commencement of secondary operations,
- 6 Unit Operator shall furnish the Supervisor monthly injection
- 7 and production reports for each well in the unit. The working
- 8 interest owners and the Supervisor and Commissioner shall be
- 9 furnished periodic reports on the progress of the Plan of Opera-
- 10 tions and any revisions or changes thereto; provided, however,
- 11 that any major revisions of the Plan of Operation involving a
- 12 basic deviation from the Initial Plan of Operation shall be sub-
- 13 ject to the approval of the working interest owners and the Super-
- 14 visor and Commissioner.
- An Initial Plan of Operation shall be filed with the Super-
- 16 visor and Commissioner concurrently with the filing of this Agree-
- 17 ment for final approval. Said Plan of Operation and all revisions
- 18 thereof shall be as complete and adequate as the Supervisor and
- 19 Commissioner may determine to be necessary for timely operation
- 20 consistent herewith. Upon approval of this Agreement and the
- 21 aforementioned Plan by the Supervisor and Commissioner said Plan
- 22 and all subsequently approved Plans shall constitute the operating
- 23 obligations of the Unit Operator under this Agreement for the period
- 24 specified in the Plan. Thereafter, from time to time before the
- 25 expiration of any existing Plan, the Unit Operator shall submit
- 26 for approval a Plan for an additional specified period of operation.
- 27 Reasonable diligence shall be exercised in complying with the obli-
- 28 gations of the approved Plan of Operation.
- Notwithstanding anything to the contrary herein contained,
- 30 should the Unit Operator fail to commence operations for the

1 secondary recovery of unitized substances from the unit area

2 within one (1) year after the effective date of this Agreement,

3 or any extension thereof approved by the Supervisor and the Com-

4 missioner, this Agreement shall terminate automatically as of

5 the date of default. After such operations are commenced, Unit

6 Operator shall carry on such operations as would a reasonably

prudent operator under the same or similar circumstances.

8 SECTION 13. TRACT PARTICIPATION. In Exhibit "C" attached

9 hereto there are listed and numbered the various tracts within

the unit area, and set forth opposite each tract is the tract

participation as hereinafter defined of each tract in the unit

12 area calculated on the basis of 100 percent commitment. The tract

13 participation was determined by the following formula:

14 5% x surface acres (unit fraction)
plus
15 20% x productive acres (unit fraction)
plus
16 75% x net acre-feet (unit fraction)

100% total

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In the event less than all of the tracts within the unit area 18 19 are qualified for unit participation as of the effective date hereof, 20 Unit Operator shall, as soon as practicable after said effective 21 date, prepare a revised Exhibit "C" setting forth the qualified 22 tracts and showing the revised tract participation of each quali-23 fied tract, which tract participation shall be calculated and determined by using the factors and formula set forth above, but applying 24 25 the same only to the qualified tracts. Unit Operator shall promptly file copies of such revised Exhibit "C" with the Supervisor and 26 27 Commissioner and, unless such revised Exhibit "C" is disapproved by the Supervisor and Commissioner within thirty (30) days after 28 such filing, the revised Exhibit "C" shall be effective as of the 29 30 effective date of this Agreement, and shall thereafter govern the

1 allocation of all unitized substances, subject, however, to

2 any further revision or revisions of Exhibit "C" in accordance

3 with the provisions hereof.

4 SECTION 14. TRACTS QUALIFIED FOR PARTICIPATION. As the

5 objective of this Agreement is to have the lands in the unit area

6 operated and entitled to participation under the terms hereof,

7 it is agreed that, notwithstanding anything herein to the contrary,

8 no joinder shall be considered a commitment to this Agreement

9 unless the tract involved is qualified for participation under

10 this Section 14.

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- 11 (1) On and after the effective date hereof the tracts
  12 qualified to participate hereunder shall be the tracts that qualify
  13 as follows:
  - (a) Each tract as to which working interest owners owning 100% of the working interest have become parties to this Agreement and as to which (i) royalty owners under oil and gas leases on fee land owning seventy-five percent (75%) or more of the basic royalty interest; or (ii) lessees of record owning seventy-five percent (75%) or more of the record title interest, whichever is applicable, have become parties to this Agreement.
    - (b) 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 under oil and gas leases on fee land owning less than seventy-five percent (75%) of the basic royalty interest or lessees of record owning less than

become parties to this Agreement and as to which (i) all working interest owners in such tract have joined in a request for the inclusion of such tract in unit participation on the basis of such commitment, and as to which (ii) seventy-five percent (75%) of the combined unit participation in all tracts that meet the requirements of Section 14(1)(a) have voted in favor of the acceptance of such tract as qualified for participation.

For the purpose of this Section 14(1)(b) the voting interest of a working interest owner shall be equal to the ratio that its then current unit participation attributable to tracts that qualify under Section 14(1)(a) bears to the total then current unit participation of all working interest owners attributable to all tracts that qualify under Section 14(1)(a).

(c) 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 or record interests committed hereto, and as to which (i) the working interest owner who operates the tract and all of the other working interest owners in such tract who have become parties to this Agreement have joined in a request for inclusion of such tract, and have executed and delivered an indemnity agreement

indemnifying and agreeing to hold harmless
the other owners of committed working interests,
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 acceptance of the tract as qualified for
participation; and as to which (ii) the owners
of seventy-five percent (75%) of the unit participation in all tracts that meet the requirements
of Section 14(1)(a) and 14(1)(b) have voted in
favor of the qualification of such tract and
acceptance of the indemnity agreement.

For the purpose of this Section 14(1)(c), the voting interest of each working interest owner shall be equal to the ratio that its then current unit participation attributable to tracts that qualify under Section 14(1)(a) and 14(1)(b) bears to the total then current unit participation of all working interest owners attributable to all tracts that qualify under Section 14(1)(a) and 14(1)(b). Upon the qualification of such a tract under this Agreement, the unit participation that would have been attributed to the non-subscribing owners of working interests in such tract, had they become parties to this Agreement and the Unit Operating Agreement, shall be attributed to the working interest owners in such tract who have become parties to such agreements and joined in the indemnity agreement, in proportion to their

- 1 respective working interests in the tract.
- 2 SECTION 15. ALLOCATION OF UNITIZED SUBSTANCES. All
- 3 unitized substances produced and saved (less any part of such
- 4 unitized substances used in conformity with good operating prac-
- 5 tices on unitized land for drilling, operating, camp and other
- 6 production or development purposes and for pressure maintenance
- 7 or which is unavoidably lost) in accordance with a Plan of
- 8 Operation approved by the Supervisor shall be apportioned among
- 9 and allocated to each of the qualified tracts in accordance with
- 10 the then effective Schedule of Participation in Exhibit "C". The
- 11 amount of unitized substances allocated to each tract (regardless
- 12 of whether it be more or less than the amount of the actual pro-
- 13 duction of unitized substances from the well or wells, if any,
- 14 on such tract) shall be deemed for all intents, uses and purposes
- 15 to have been produced from such tract.
- The unitized substances allocated to each tract shall be
- 17 distributed among, or accounted for, to the parties executing,
- 18 consenting to or ratifying this Agreement and entitled to share
- 19 in the production from such tract in the same manner, in the same
- 20 proportions, and upon the same conditions as they would have parti-
- 21 cipated and shared in the production from such tracts, or in the
- 22 proceeds thereof, had this Agreement not been entered into, and
- 23 with the same legal force and effect.
- No tract committed to this Agreement and qualified for
- 25 participation as above provided shall be subsequently excluded
- 26 from participation hereunder on account of depletion of unitized
- 27 substances; and nothing herein contained shall be construed as
- 28 requiring any retroactive adjustment for production obtained prior
- 29 to the effective date of the qualification of any tract.
- 30 If the working interest and/or the royalty interest in any

- 1 tract are or become divided with respect to separate parcels or
- 2 portions of such tract and owned severally by different persons,
- 3 the unitized substances allocated to such tract shall, in the
- 4 absence of a recordable instrument executed by all owners and
- 5 furnished to Unit Operator fixing the division of ownership, be
- 6 divided among the owners of interests in such parcels or portions
- 7 in proportion to the number of surface acres in each.
- 8 The unitized substances allocated to each tract shall be
- 9 delivered in kind to the respective working interest owners and
- 10 parties entitled thereto by virtue of the ownership of oil and
- 11 gas rights therein. Each working interest owner and the parties
- 12 entitled thereto shall have the continuing right to receive such
- 13 production in kind at a common point within the unit area and
- 14 to sell or dispose of the same as it sees fit. Each such party
- 15 shall have the right to construct, maintain and operate all neces-
- 16 sary facilities for that purpose on unitized land, provided the
- 17 same are so constructed, maintained and operated as not to inter-
- 18 fere with operations carried on pursuant hereto. Subject to
- 19 Section 16 (Royalty Settlement) hereof, any extra expenditure
- 20 incurred by Unit Operator by reason of the delivery in kind of
- 21 any portion of the unitized substances shall be borne by the party
- 22 receiving the same in kind.
- In the event any party hereto shall fail to take or other-
- 24 wise adequately dispose of its proportionate share of the unitized
- 25 substances, Unit Operator, in order to avoid curtailing unit opera-
- 26 tions, may sell or otherwise dispose of such production to itself
- 27 or others on a day-to-day basis at not less than the prevailing
- 28 market price in the area for like production; and the account of
- 29 such party shall be charged therewith as having received such pro-
- 30 duction. The net proceeds, if any, of the unitized substances so

dispose of by Unit Operator shall be paid to the party entitled 1 2 thereto; provided, however, Unit Operator shall not make a sale 3 into interstate commence of any working interest owner's share of gas production without first giving such working interest 4 5 owner sixty (60) days' notice of such intended sale. If, after the effective date of this Agreement, there is 6 any tract or tracts that are subsequently committed hereto, as 7 8 provided in Section 4 (Expansion), Section 14 (Tract Qualified 9 for Participation) and Section 33 (Non-Joinder and Subsequent Joinder), or if any tract is excluded from this Agreement as pro-10 11 vided for in Section 32 (Loss of Title), the schedule of partici-12 pation as shown in the current Exhibit "C" shall be revised by 13 the Unit Operator, together with Exhibits "A" and "B", if appro-14 priate; and the revised schedule, upon approval by the working 15 interest owners and the Supervisor and Commissioner shall govern the allocation of unitized substances on and after the effective 16 17 date thereof until the effective date of a new schedule so approved. The tract participations of all tracts participating prior to any 18 19 such revision shall remain in the same ratio one to the other. 20 SECTION 16. ROYALTY SETTLEMENT. The United States of 21 America and the State of New Mexico and all royalty owners who, under an existing contract, are entitled to take in kind a share 22 23 of the unitized substances produced from any tract unitized here-24 under, shall continue to be entitled to such right to take in 25 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 interest 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
- 2 the preceding calendar month; provided, however, that nothing
- 3 herein contained sha-1 operate to relieve the lessees of any
- 4 land from their respective lease obligations for the payment
- 5 of any royalty due under their leases, except that such royalty
- 6 shall be computed in accordance with the terms of this Agreement.
- 7 Royalty due the United States shall be computed as pro-
- 8 vided in the operating regulations and paid in value or delivered
- 9 in kind as to all unitized substances on the basis of the amount
- 10 thereof allocated to unitized Federal land as provided herein
- ll at the rates as may be authorized by law or regulation; provided
- 12 that for leases on which royalty rate depends on the daily average
- 13 production per well, said average production shall be determined
- 14 in accordance with the operating regulations as though the unitized
- 15 land were a single consolidated lease.
- 16 All royalty due the State of New Mexico and the other
- 17 royalty owners hereunder shall be computed and paid on the basis
- 18 of all unitized substances allocated to the respective tract or
- 19 tracts committed hereto in lieu of actual production from such
- 20 tract or tracts.
- 21 Each royalty owner (other than the United States of
- 22 America and the State of New Mexico) that executes this agreement
- 23 represents that it is the owner of a royalty interest in tract
- 24 or tracts within the unit area as its interest appears in Exhibit
- 25 "B" attached hereto. Subject to Section 32 hereof, it any royalty
- 26 interest in a tract or tracts should be lost by title failure or
- otherwise, in whole or in part, during the term of this Agreement,
- 28 then the royalty interest of the party representing himself to be
- 29 the owner thereof shall be reduced proportionately and the interest
- 30 of all parties in the affected tract or tracts shall be adjusted

- 1 accordingly.
- 2 SECTION 17. OUTSIDE SUBSTANCES. If gas obtained from
- 3 lands not subject to this Agreement is introduced into the
- 4 unitized formation for use in repressuring, stimulation of pro-
- 5 duction or increasing ultimate recovery in conformity with a
- 6 Plan of Operation approved by the Supervisor and Commissioner,
- 7 a like amount of gas, less appropriate deductions for loss from
- 8 any cause, may be withdrawn from unit wells completed in the
- 9 unitized formation, royalty-free as to dry gas but not as to
- 10 the products extracted therefrom; provided such withdrawal shall
- ll be pursuant to such conditions and formulas as may be prescribed
- 12 or approved by the Supervisor and Commissioner and provided
- 13 further that such right of withdrawal shall terminate as of the
- 14 effective date of termination of this Agreement.
- 15 SECTION 18. RENTAL SETTLEMENT. Rentals or minimum royal-
- 16 ties due on leases committed hereto shall be paid by working
- 17 interest owners responsible therefor under existing contracts,
- 18 laws and regulations, provided that nothing herein contained shall
- 19 operate to relieve the lessees of any land from their respective
- 20 lease obligations for the payment of any rental or minimum royalty
- 21 in lieu thereof due under their leases. Rental or minimum royalty
- 22 for lands of the United States of America subject to this Agree-
- 23 ment shall be paid at the rate specified in the respective leases
- 24 from the United States of America, unless rental or minimum royalty
- 25 is waived, suspended or reduced by law or by approval of the
- 26 Secretary or his duly authorized representative. Rental for
- 27 lands of the State of New Mexico subject to this Agreement shall
- 28 be paid at the rate specified in the respective leases from the
- 29 State of New Mexico.
- 30 SECTION 19. CONSERVATION. Operations hereunder and

- 1 production of unitized substances shall be conducted to provide
- 2 for the most economical and efficient recovery of said substances
- 3 without waste, as defined by or pursuant to Federal and State laws
- 4 and regulations.
- 5 SECTION 20. DRAINAGE. The Unit Operator shall take appro-
- 6 priate and adequate measures to prevent drainage of unitized sub-
- 7 stances from unitized land by wells on land not subject to this
- 8 Agreement.
- 9 SECTION 21. LEASES AND CONTRACTS CONFORMED AND EXTENDED.
- 10 The terms, conditions and provisions of all leases, subleases and
- ll other contracts relating to exploration, drilling, development or
- 12 operation for oil or gas on lands committed to this Agreement are
- 13 hereby expressly modified and amended to the extent necessary to
- 14 make the same conform to the provisions hereof, but otherwise to
- remain in full force and effect; and the parties hereto hereby
- 16 consent that the Secretary and Commissioner shall, and by their
- 17 approval hereof, or by theapproval hereof by their duly authorized
- 18 representatives, hereby establish, alter, change or revoke the
- 19 drilling, producing, rental, minimum royalty and royalty require-
- 20 ments of Federal and State leases committed hereto and the regula-
- 21 tions with respect thereto to conform said requirements to the
- 22 provisions of this Agreement.
- Without limiting the generality of the foregoing, all leases,
- 24 subleases and contracts are particularly modified in accordance
- 25 with the following:
- 26 (a) The development and operation of lands subject to this Agreement under the terms hereof shall be deemed full perform-
- ance of all obligations for development and operation with respect to each and every part or separately owned tract subject to this
- 28 Agreement, regardless of whether there is any development of any particular part or tract of the unit area, notwithstanding any-
- thing to the contrary in any lease, operating agreement or other contract by and between the parties hereto, or their respective
- 30 predecessors in interest, or any of them.

1 (b) Drilling, producing or secondary recovery operations performed hereunder upon any tract of unitized land shall
2 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 Supervisor and Commissioner 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.

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(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) Termination of this Agreement shall not affect any lease which, pursuant to the terms thereof or any applicable laws, shall continue in force and effect thereafter.

(f) 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 non-unitized 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".

Any lease embracing lands of the State of New Mexico 21 having only a portion of its land committed hereto shall be segregated as to that portion committed and that not committed, and the 22 terms of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. Provided, how-23 ever, 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 24 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 25 26 27 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 28 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 29 30

- 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
- 3 said lands.
- 4 SECTION 22. CORRECTION OF ERRORS. It is hereby agreed by
- 5 all parties to this Agreement that Unit Operator is empowered to
- 6 correct any mathematical or clerical errors which may exist in
- 7 the pertinent exhibits to this agreement; provided, however, that
- 8 correction of any error other than mathematical or clerical shall
- 9 be made by Unit Operator only after first having obtained approval
- 10 of working interest owners and the Supervisor and Commissioner.
- 11 SECTION 23. COVENANTS RUN WITH LAND. The covenants herein
- 12 shall be construed to be covenants running with the land with
- 13 respect to the interest of the parties hereto and their successors
- 14 in interest until this Agreement terminates; and any grant, transfer
- or conveyance of interest in land or leases subject hereto shall
- 16 be, and hereby is, conditioned upon the assumption of all privi-
- 17 leges and obligations hereunder by the grantee, transferee or other
- 18 successor in interest. No assignment or transfer of any working
- 19 interest subject hereto shall be binding upon Unit Operator until
- 20 the first day of the calendar month after Unit Operator is furnished
- 21 with the original, or acceptable photostatic or certified copy, of
- 22 the recorded instrument of transfer; and no assignment or transfer
- 23 of any royalty interest subject hereto shall be binding upon the
- 24 working interest owner responsible therefor until the first day
- 25 of the calendar month after said working interest owner is furnished
- 26 with the original, or acceptable photostatic or certified copy,
- 27 of the recorded instrument of transfer.
- 28 SECTION 24. EFFECTIVE DATE AND TERM. This Agreement shall
- 29 become effective as of the first day of the month following the
- 30 date of approval by the Supervisor and Commissioner and shall

- 1 remain in effect so long as unitized substances can be produced
- 2 from the unitized land in paying quantities, i.e. in this particu-
- 3 lar instance in quantities sufficient to pay for the cost of pro-
- 4 ducing same, and, should production cease, so long thereafter as
- 5 diligent operations are in progress for the restoration of pro-
- 6 duction and so long thereafter as such unitized substances can
- 7 be produced as aforesaid. This Agreement shall remain in effect
- 8 during any period of suspension approved by the Supervisor and
- 9 Commissioner as provided for in Section 21(c) hereof.
- 10 This Agreement may be terminated at any time by the working
- 11 interest owners owning not less than seventy-five percent (75%),
- 12 based upon participating percentages then in effect, subject to
- 13 the approval of the Supervisor and Commissioner; notice of any
- 14 such approval shall be given by Unit Operator to all parties hereto.
- Upon termination of this Agreement the parties hereto shall
- 16 be governed by the terms and provisions of the leases and contracts
- 17 affecting the separate tracts, just as if this Agreement had never
- 18 been entered into.
- 19 If otherwise covered by the leases unitized under this
- 20 Agreement, royalty owners hereby grant working interest owners a
- 21 period of six (6) months after termination of this Agreement in
- 22 which to salvage, sell, distribute or otherwise dispose of the
- 23 personal property and facilities used in connection with unit opera-
- 24 tions.
- 25 SECTION 25. RATE OF PROSPECTING, DEVELOPMENT AND PRODUCTION.
- 26 All production and the disposal thereof shall be in conformity
- 27 with allocations and quotas made or fixed by any duly authorized
- 28 person or regulatory body under any Federal or State statute. The
- 29 Director is hereby vested with authority to alter or modify from
- 30 time to time, in his discretion, the rate of prospecting and

- development and within the limits made or fixed by the Commission 1
- to alter or modify the quantity and rate of production under this 2
- 3 Agreement, such authority being hereby limited to alteration or
- modification in the public interest, the purpose thereof and the 4
- 5 public interest to be served thereby to be stated in the order of
- 6 alteration or modification; provided, further, that no such altera-
- 7 tion or modification shall be effective as to any land of the
- 8 State of New Mexico as to the rate of prospecting and development
- 9 in the absence of the specific written approval thereof by the
- Commissioner and as to the lands of the State of New Mexico or 10
- 11 privately owned lands subject to this Agreement as to the quantity
- and rate of production in the absence of specific written approval 12
- thereof by the Commission. 13

- 14 Powers in this article vested in the Director shall only
- be exercised after notice to Unit Operator and opportunity for 15
- 16 hearing to be held not less than fifteen days from notice, and
- thereafter subject to administrative appeal before becoming final. 17
- 18 SECTION 26. NON-DISCRIMINATION. In connection with the
- performance of work under this agreement, the operator agrees to 19
- 20 comply with all of the provisions of Section 202, (1) to (7)
- 21 inclusive, of Executive Order 11246 (30 F.R. 12319) as amended
- which are hereby incorporated by reference in this Agreement. 22
- 23 SECTION 27. APPEARANCES. Unit Operator shall, after
- 24 notice to other parties affected, have the right to appear for
- 25 or on behalf of any and all interests affected hereby before the
- Department and the Commission and to appeal from any order issued 26
- under the rules and regulations of the Department or the Commission,
- or to apply for relief from any of said rules and regulations or 28
- 29 in any proceedings relative to operations before the Department
- 30 or the Commission, or any other legally constituted authority;

- 1 provided, however, that any other interested party shall also
- 2 have the right at his or its own expense to be heard in any such
- 3 proceeding.
- 4 SECTION 28. NOTICES. All demands, notices, objections
- 5 or statements required hereunder to be given or rendered to the
- 6 parties hereto shall be deemed fully given if made in writing and
- 7 personally delivered to the party or parties or sent by registered
- 8 or certified postpaid mail addressed to such party or parties at
- 9 their respective addresses set forth in connection with the signa-
- 10 tures hereto or to the ratification or consent hereof or to such
- ll other address as any such party or parties may have furnished in
- 12 writing to the party sending the notice, demand or statement.
- 13 SECTION 29. NO WAIVER OF CERTAIN RIGHTS. Nothing con-
- 14 tained in this Agreement shall be construed as a waiver by any
- 15 party hereto of the right to assert any legal or constitutional
- 16 right or defense as to the validity or invalidity of any law of
- 17 the State wherein said unitized land is located, or rules or regu-
- 18 lations issued thereunder in any way affecting such party, or as
- 19 a waiver by any such party of any right beyond his or its authority
- 20 to waive.
- 21 SECTION 30. EQUIPMENT AND FACILITIES NOT FIXTURES ATTACHED
- 22 TO REALTY. Each working interest owner has heretofore placed and
- 23 used on its tract or tracts committed to this Agreement various
- 24 well and lease equipment and other property, equipment and faci-
- 25 lities. It is also recognized that additional equipment and faci-
- 26 lities may hereafter be placed and used upon the unitized land as
- 27 now or hereafter constituted. Therefore, for all purposes of this
- 28 Agreement, any and all such equipment shall be considered to be
- 29 personal property and not fixtures attached to realty. Accordingly,
- 30 said well and lease equipment and personal property is hereby

- 1 be deposited as directed by the Supervisor and/or Commissioner,
- 2 respectively, to be held as unearned money pending final settle-
- 3 ment of the title dispute, and then applied as earned or returned
- 4 in accordance with such final settlement.
- 5 Unit Operator as such is relieved from any responsibility
- 6 for any defect or failure of any title hereunder.
- 7 SECTION 33. NON-JOINDER AND SUBSEQUENT JOINDER. Joinder
- 8 by any non-working interest owner, at any time, must be accompanied
- 9 by appropriate joinder of the corresponding working interest owner
- in order for the interest of such non-working interest owner to
- ll be regarded as effectively committed. Joinder to this Agreement
- 12 by a working interest owner, at any time, must be accompanied by
- 13 appropriate joinder to the Unit Operating Agreement in order for
- 14 such interest to be regarded as committed to this Agreement.
- Any oil or gas interest in the unitized formation underlying
- 16 the unit area not committed hereto prior to submission of this
- 17 agreement for final approval may thereafter be committed hereto
- 18 upon compliance with the applicable provisions of this Section and
- 19 of Section 14 (Tracts Qualified for Participation) hereof, at any
- 20 time up to the effective date hereof on the same basis of partici-
- 21 pation as provided in said Section 14, by the owner or owners
- 22 thereof subscribing, ratifying or consenting in writing to this
- 23 Agreement, and, if the interest is a working interest, by the owner
- 24 of such interest subscribing also to the Unit Operating Agreement.
- It is understood and agreed, however, that on and after
- 26 the effective date hereof the commitment of a working interest in
- 27 any tract within the unit area shall be upon such equitable terms
- 28 as may be negotiated by working interest owners and the owners of
- 29 such interests. Except as may be otherwise herein provided, sub-
- 30 sequent joinder as to tracts within the unit area shall be effective

- on the first day of the month following the filing with the
- 2 Supervisor and Commissioner of duly executed counterparts of
- 3 any and all documents necessary to establish effective commitment
- 4 of his interest to this Agreement, unless objection to such
- 5 joinder is made within 60 days by the Supervisor and/or Commissioner.
- 6 SECTION 34. PRODUCTION AS OF THE EFFECTIVE DATE.
- 7 (a) Oil in Lease Tankage on Effective Date. Unit
- 8 Operator shall make a proper and timely gauge of all lease and
- 9 other tanks on unitized land in order to ascertain the amount of
- 10 merchantable oil above the pipeline connection in such tanks as
- ll of the effective date hereof. All such oil which has then been
- 12 produced legally shall be and remain the property of the parties
- 13 entitled thereto the same as if the unit had not been formed; and
- 14 the responsible parties shall promptly remove said oil from the
- 15 unitized land. Any such oil not so removed shall be sold by Unit
- 16 Operator for the account of the parties entitled thereto, subject
- 17 to the payment of all royalty and other payments under the terms
- 18 and provisions of this Agreement and any applicable lease or leases
- 19 and other contracts. Any oil that is in excess of the prior allow-
- 20 able of the wells from which it was produced shall be regarded as
- 21 unitized substances produced after the effective date hereof.
- 22 (b) Overproduction. If, as of the effective date
- 23 hereof, any tract of unitized land is overproduced with respect to
- 24 the allowable of the wells on such tract and the amount of over-
- 25 production has been sold or otherwise disposed of, such overpro-
- 26 duction shall be regarded as a part of the unitized substances
- 27 produced after the effective date hereof and shall be charged to
- 28 such tract as having been delivered to the parties entitled to
- 29 unitized substances allocated to such tract.
- 30 SECTION 35. PROTECTION OF POTASH DEPOSITS. No wells will

- 1 be drilled for oil or gas at a location on Federal lands which
- 2 in the opinion of the Supervisor or at a location on State lands
- 3 which in the opinion of the Commissioner would result in undue
- 4 waste of potash deposits or constitute a hazard to or unduly inter-
- 5 fere with mining operations being conducted for the extraction of
- 6 potash deposits.
- 7 The drilling or abandonment of any well on unitized land
- 8 shall be done in accordance with applicable oil and gas regulations,
- 9 including such requirements as to Federal lands as may be prescribed
- 10 by the Supervisor and as to State lands by the Commissioner, as
- ll necessary to prevent the infiltration of oil, gas or water into
- 12 formations containing potash deposits or into mines or workings
- 13 being utilized in the extraction of such deposits.
- Well records and survey plats that an oil and gas lessee
- of Federal lands must file pursuant to applicable operating regu-
- 16 lations (30 CFR Part 221) shall be available for inspection at the
- 17 office of the Supervisor to any party holding a potash permit or
- 18 lease on the Federal land on which the well is situated insofar
- 19 as such records are pertinent to the mining and protection of potash
- 20 deposits.
- 21 SECTION 36. COUNTERPARTS. This Agreement may be executed
- 22 in any number of counterparts, no one of which needs to be executed
- 23 by all parties, and may be ratified or consented to by separate
- 24 instrument in writing specifically referring hereto, and shall be
- 25 binding upon all those parties who have executed such a counterpart,
- 26 ratification or consent hereto with the same force and effect as
- 27 if all parties had signed the same document, and regardless of
- 28 whether or not it is executed by all other parties owning or
- 29 claiming an interest in the lands within the above described unit
- 30 area.

1 SECTION 37. TAXES. Each party hereto shall, for its 2 own account, render and pay its share of any taxes levied against 3 or measured by the amount or value of the unitized substances produced from the unitized land; provided, however, that if it 4 5 is required or if it be determined that the Unit Operator or the several working interest owners must pay or advance said taxes 6 for the account of the parties hereto, it is hereby expressly 7 8 agreed that the parties so paying or advancing said taxes shall 9 be reimbursed therefor by the parties hereto, including royalty owners, who may be responsible for the taxes on their respective 10 allocated share of said unitized substances. No taxes shall be 11 charged to the United States or to the State of New Mexico or to 12 any lessor who has a contract with a lessee which requires his 13 lessee to pay such taxes. 14 NO PARTNERSHIP. It is expressly agreed that 15 SECTION 38. the relation of the parties hereto is that of independent con-16 17 tractors, and nothing contained in this Agreement, express or 18 implied, or any operations conducted hereunder, shall create or be deemed to have created a partnership or association between 19 the parties hereto or any of them. 20 SECTION 39. BORDER AGREEMENTS. Subject to the approval 21 22 of the Supervisor and Commissioner, the Unit Operator, with concurrence of working interest owners having a combined unit parti-23 24 cipation of 75% may enter into a border protection agreement or

IN WITNESS WHEREOF, the parties hereto have caused this
Agreement to be executed and have set opposite their respective

agreements with the working interest owners of adjacent lands with

respect to operations designed to increase ultimate recovery, con-

serve natural resources and protect the parties and their interests.

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	UNIT OPERATOR AND WORKING INTEREST OWNER		
ATTEST:	LLANO, INC.		
Secretary Date:	ByPresident		
Date:	WORKING INTEREST OWNERS		

1 names the date of execution.

No.

Description of

Number of

Serial No. & Expiration Date

Basic

Royalty

Acres

S-T-R

ELSWY

Lot 3 & 4

(31-18-32)

162.79

LC 062903

U.S.

S

N%; SE%; W%SW%

(29-19-32)

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LC 063586

U.S. All

5-A

(29-19-32)

80.00

LC 063586

U.S. All

Glendon Freeman

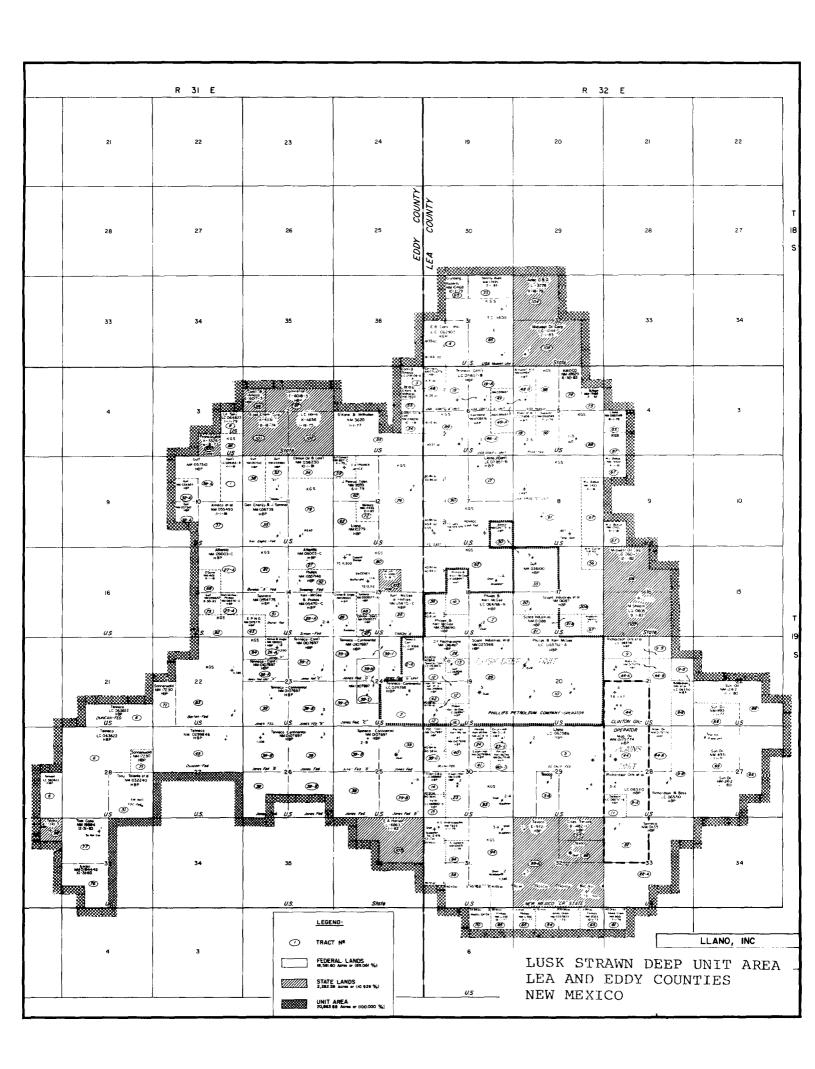
Clyde R. Henry Oakley Freeman Conrad Freeman Audrey Hamrick

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Rosalea Carey

ω	?: A	N	Tract No.
(1-19-31) NE彙NE彙 (Lot 1)	(24-19-31) El <sub>2N</sub> El <sub>2</sub>	(21,-19-31) SE4	Description of Land (S-T-R) (10-19-31) ENREL
39.99	30.00	160.00	Number of Acres
LC 058008-B 10-31-81	LC 029358 HBP	LC 029358 HBP	Serial No. & Expiration Date LC 029353-B 10-31-81
U.S. All	U.S. All	All	Basic Royalty U.S. All
Amoco Prod. Co. Continental Oil Co.	Continental Oil Co. Tenneco Oil Co.	Continental Oil Co. Tenneco Oil Co.	Lessee of Record
C. E. Roach \$1000/Ac.	Yates Drilling Co.  Martin Yates III  Tenneco Oil Co.  Jack Russell  A. M. Routh  Albuquerque Natl. Bank  u/w Ruby English  Leroy English  James B. Francis  Juretta English Olsen, Tr.  for Stanley G. English  for William B. English  for Kathleen English  Evelyn Ann English Woods  Evelyn Ann English Woods  Evelyn Ann English Woods  The Chida English  Patricia Griffin  William B. English  Patrick B. English  Patrick B. English  Joy English Marquez  Southern New Mexico Oil  Corp. 25% of 51.8919%  Excess ORR	Marathon Oil Co. Yates Drilling Co. Martin Yates III Jack L. Russell A. M. Routh Tenneco Oil Co. Southern New Mexico Oil Corporation Excess ORR 25% of 51.6957 =	Overriding Royalty Ownership Hoover Wright Alvin Hill
4.0000%	.5000% .5000% .26000% .74000% .1504% .5298% .1196% .0570% .0570% .0570% .0376% .0376% .0376% .0376% .0376%	3.0000% .50000% .26000% .74000% 12.50000%	Percentage 1.0000% 5.0000%
Amoco Prod. Co. Continental Oil Co.	Gulf Oil Co. Kerr McGee Phillips Pet. Co.	Gulf Oil Co. Kerr McGee Phillips Pet. Co.	Working Interest Ownership Continental Oil Co.
50.0000% 50.0000%	10.9708% 84.8218%	10.9708% 84.8218%	Percentage



53.1250% 46.8750%	Clinton Oil Corp. Mobil Oil Co.	Ltd.3.0000% .5000%	Featherstone Farms, Ltd.3.0000% Ewell H. Muse .5000%	Richardson Oil	U.S. All	LC 065710 HBU	400.00	(21-19-32) nwàneả; seảneả;	9 <b>-</b> B
53.1250% 46.8750%	Clinton Oil Corp. Mobil Oil Co.	Itd.3.000% .5000% son in Corp. on 12.5000% s 12.5000%	Featherstone Farms, Ltd.3.000% Ewell H. Muse .5000% Perry Bass, Richardson Oil et al, Delbasin Corp. 12.5% on oil; 25% on gas 12.5000% Amoco Prod. Co. 12.5% on oil; 25% on gas 12.5000%	Richardson Oil	U. S. All	LC 065710 HBU	120.00	(28-19-32) N <del>2</del> SW4; SE4SW4	9-A
53.1250% 46.8750%	Clinton Oil Corp. Mobil Oil Co.	Ltd. 3.000% .5000% son ln Corp. on gas 12.5000%	Featherstone Farms, Ltd.3.000% Ewell H. Muse .5000% Perry Bass, Richardson Oil et al, Delbasin Corp. 12.5% on oil; 25% on gas 12.5000% Amoco Prod. Co. 12.5% on oil; 25% on gas 12.5000%	Richardson Oil	U.S. All	LC 065710 HBU	80.00	$(21-19-32)$ $N\frac{1}{2}NW\frac{1}{4}$	ω
100.0000,3	Cities Services	7.5000% 1.0000%	W. S. Day Ernest Hanson	Cities Services Richardson Oil	U.S.	LC 064833 12-31-78	40.00	(3-19-31) NE4SE4	œ
84.8218% 4.2074% 10.9708%	Phillips Pet. Co. Gulf Kerr McGee	16.1549%	So. N. Mex. Oil Corp. 25% of 64.6196 excess ORR	Phillips Pet. Co. Kerr McGee Corp.	U.S. All	LC 064198-A ILBP	160.00	(18-19-32) SE4	-7
100.0000%	Tenneco	.1250% .2500% 3.1250% .1250%	Steve Ward II Atlantic Richfield Roger D. Allen Pearl Miller	Tenneco	U. S. All	LC 063622 HBP	640.00	(21-19-31) S\$SE\$; SE\$SW\$ (28-19-31) W\$ & W\$NE\$; NE\$NE\$ (29-19-31) E\$SE\$	σ
		.1563% .1563% .1lace.5313% .5313%	Lena Bowman .1563% Mildred Bowman .1563% Charles & Shirley Wallace.5313% Wallace Irwin .5313%					(Continued)	5-A
Percentage	Working Interest Ownership	Percentage	Overriding Royalty Ownership	Lessee of Record	Basic Royalty	Serial No. & Expiration Date	Number of	Description of Land (S-T-R)	Tract

			10	9-B	Tract
	(28-19-32) SW±SW±		(20-19-32) All	(Continued) ExSE4 (28-19-32) SE4; EzNE4	Description of Land (S-T-R)
	40.00		640.00		Number of Acres
	LC 065710−В ПВО		LC 065710-A HBU		Serial No. & Expiration Date
	U. S.		U.S.		Basic Royalty
	Delbasin Corp.		Phillips Pet. Co. Korr McGee		Lessee of Record
Perry Bass, Richardson Oil, Delbasin Corp. 25% on gas Amoco Prod. Co. 25% on gas 12	Featherstone Farms, Ltd.3.000% Ewell H. Muse .5000%	25% of 62.4041 Excess ORR 15	Featherstone Farms, Ltd5000% Olen Featherstone II 2.5000%	Perry Bass, Richardson Oil et al, Delbasin Corp. 12.5% on oil; 25% on gas Amoco Prod. Co. 12.5% on oil; 25% on gas 12.5000%	Overriding Royalty Ownership
n 12.5000% n 12.5000%	3.000%	s 15.6010%	.5000% .5000%	Corp. 12.5000% 12.5000%	Percentage
	Clinton Oil Co. Mobil Oil	rniilips ret. co.	Gulf Oil Corp. Kerr McGee		Working Interest Ownership
	53.1250% 46.8750%	α4 • α <u>- α</u> α α α α α α α α α α α α α α α α α α	4.2074% 10.9708%		Percentage

15	14	13	Tract No.
(30-19-32) SWLSWL (Lot 4)	(30-19-32) NW4SW4 (Lot 3)	(19-19-32) SE4W%	Description of Land (S-T-R)  (19-19-32) (19-19-32) SW*LNW*L (Lot 2); NE%LSW*L; SW%LSW*L (Lot 1)
40.36	40.52	40.00	Number of Acres 121.77
LC 068882-A HBP	LC 068882 HBP	LC 068019 HBP	Serial No. & Expiration Date LC 065863 HBU
U.S. All	U.S. All	U.S. All	Basic Royalty U.S. All
Yates Pet. Co.	Triton 0 & G Corp.	Gulf Oil Corp.	Lessee of Record
E. A. Hanson Roy L. & Dixie D. Flood	E. A. Hanson Roy L. & Dixie D. Flood	Ernest A. Hanson Est. H. C. Roberts Est. So. N. Mex. Oil Corp. 25% of 62.4041% Excess Prod. Pay	Overriding Royalty Ownership  Atlantic Richfield (Argo Prod. Pay.)  William D. Bailey, Jr. Margot Suzanne Chambers Selma E. Andrews Albuquerque Natl. Bank Roy G. & Opal Barton Roy G. Barton, Jr. Higgins Trust, Inc. Elaine Graham McDonald Two States Oil Co. The Wiser Oil Co. Fred C. Rohrbach Tenneco Zelwyn Graham Estate Mel M. Graham John William McDonald So. N. Mex. Oil Corp. 25% of 54.0035% Excess ORR
2.7000% .3000%	2.7000% .3000%	1.5000%	Percentage .0250% .1750% .2500% .0017% .1343% .1042% .00833% .0208% .0208% .1250% .1250% .0208% .1250% .0052% .0052% .0052% .0052% .0052% .0018%
F.O. & E.A. Elliot E.I. & O.R. Hall Triton Drlg. Co.	F.O. & E.A. Elliott E.I. & O.R. Hall Triton Drlg. Co. Yates Drlg. Co. Yates Pet. Co. Martin Yates III	Gulf Oil Corp. Kerr McGee Phillips Pet. Co.	Working Interest Ownership Gulf Oil Kerr McGee Phillips Pet. Co.
6.2500% 6.2500% 7.8125%	6.2500% 6.2500% 7.8125% 27.3437% 25.0000% 27.3438%	4.2074% 10.9708% 84.8218%	Percentage 4.2074% 10.9703% 34.5218%

ĵo	18	17	16	Tract No.
(6-19-32) E-3NW-1	(5-19-32) ₩ <sup>2</sup> ≲SW <sup>3</sup> %	(7-19-32) NE4	(18-19-32) SEŁNWŁ; NEŻSWŻ (19-19-32) SEŻSWŻ	Description of Land (S-T-R) (Continued)
80.00	80.00	160.00	120.00	Number of Acres
LC 071857-B HBP	LC 071856-C HBP	LC 071856-B HBP	LC 068947 HBP	Serial No. & Expiration Date
U.S. All	U.S. All	U.S. All	U.S. All	Basic Royalty
Continental Oil Co. Tenneco Oil Co.	Fluor Oil and Gas Corporation W. N. Price Atlantic Richfield	Continental Oil Co.	Phillips Pet. Co. Kerr-McGee Corp.	Lessee of Record
American Natl. Bank Dapco, Inc. Win, Inc. J. L. Buckley and Rita Buckley, Prod. Fay.	W. N. Price Estate Paul Terry T. E. Brown, Jr. Claudyne Brown Thorp	Clinton Oil Co. Escrow Agent NMOG Order #R-3061 Amarillo Nat'l Bank, Guardian of the Birtie Noland Price Estate American Nat'l Bank of Amarillo, Administrator of the Dorothy W. Price Estate Elmira Terry Welch Mamie Bell Terry Rook Jimmie Marie Terry, Administratrix of the Estate of Sanders A. Terry, Deceased Julie S. Terry T.E. Brown, Jr. Claudyne Brown Thorp	So. N. Mex. Oil Corp 25% of 64.6196 Prod. Pay	Overriding Royalty Ownership Po
.16250%	3.4375% .6250% .4687% .4688%	.9961% .3906% .0521% .0521% .1562% 1.4844%	16.1549%	Percentage
Tenneco Oil Co. Continental Oil Co.	Atlantic Richfield Fluor Oil and Gas Corporation Pioneer Enterprises W. N. Price Estate Superior Oil Texas Crude	Continental Oil Co. Llano, Inc.	Gulf Oil Co. Kerr-McGee Corp. Phillips Pet. Co.	Working Interest Ownership Yates Drlg. Co. Yates Pet. Co. Martin Yates III
\$0.000.00 \$0.000.00	18.7500% 7.8125% 9.3750% 12.5000% 50.0000% 1.5625%	35.9892% 64.0108%	1.2071% 10.9708% 84.8218%	Percentage 27.3437% 25.0000% 27.3437%

21	Tract No. 20-A
(17-19-32) S <sup>1</sup> <sub>2</sub> SW <sub>4</sub> ;	Description of Land (S-T-R)
80 •00	Number of Acres
NW 01088	Serial No. & Expiration Date
U.S.	Basic Royalty
Scope Industries	Lessee of Record
Irwin L. W. Wickes Agent Corp. Scope Industries Flow N. McCaw McMullen George R. McCaw William L. Wilson William Reed McCaw Jack W. McCaw Jack Hagin McCaw Peggy Ruth McCaw Peggy Ruth McCaw So. N. Mex. Oil Corp. excess ORR of 25% of (56.4268 less 9.3750) Frances W. Collins Hiram M. Dow Trust L.W. Wickes Agent Corp. Floy N. McCaw McMullen George R. McCaw William Reed McCaw William Reed McCaw Jack Hagin McCaw Jack Gaw Jack W. McCaw Jack Hagin McCaw Jack Hagin McCaw Feggy Ruth McCaw Jack Hagin McCaw Feggy Ruth McCa	Overriding Royalty Ownership Wallace W. & Kathleen
7.9688% 7.9688% 9.3750% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104% .0104%	Percentage
Gulf Oil Co. Kerr McGee Corp. Phillips Pet. Co.	Working Interest Ownership
4.2074% 10.9708% 84.8218%	Percentage

22				21-A		21	Tract
(33-19-32) NW:				(17-19-32) 5#4384		(Continued)	Description of Land ( 3-T-R )
160.00				40.00			Number of
NM 01135 HBP				NM 01088 HBU			Serial No. & Expiration Date
U. S. All				U.S.			Basic Royalty
Tenneco Oil Co.				Scope Industries			Lessee of Record
Tenneco Oil Co. Higgins Trust, Inc. Alex J. Diepenbrook Luis E. Kemnitzer James G. Creed	*Scope Industries ORR increases to 18.75% after Texaco Prod. Pay. Pay out.	*Scope Industries excess ORR from Phillips So. N. Mex. Oil Corp. excess ORR from Phillips Texaco Prod. Pay of \$1,040,000 out of		Frances W. Collins  Pearl Collins  Hiram M. Dow Trust  L. W. Wickes Agent Corp.  Floy N. McCaw McMullen  George R. McCaw  William L. Wilson	*Scope Industries ORR increases to 18.75% after Texaco Prod. Pay Pay out.	Texaco Prod. Pay of \$1,040,000	Overriding Royalty Ownership
15.6250% .2500% .1563% .1562% .1563%		9.3750% ps 11.1571% 12.5000%	.0104%	.0573 .0573 .0104 .0104 .0104 .0104 .0104 .0104 .0104 .0104 .0104		12.5000%	Percentage
Clinton Oil Co. Mobil Oil Corp.				Gulf Oil Co. Kerr McGee Phillips Pet. Co.			Working Interest Ownership
53.1250% 46.8750%				4.207 <i>4%</i> 10.9708% 84.8218%			Percentage

S	22 <b>-</b> A	22	Tract No.
$(30-19-32)$ $E_{\overline{2}}^{1}SW_{\overline{4}}^{1}$	(33-19-32) NW \$\frac{1}{2} \text{SW} \frac{1}{2} \text{NE} \frac{1}{2} \text{SW} \frac{1}{2} \text{Lot}	(Continued)	Description of Land (S-T-R)
80.00	319.86 1 & 2)		Number of
NM 01218 HBP	NW 01135 HBP		Serial No. & Rxpiration Date
U.S. All	U. S. All		Basic Royalty
Frank Elliott and Edna Ione Hall	Tenneco Oil Co.		Lessee of Record
Joseph L. McClellen, Jr.	Higgins Trust, Inc. Alex J. Diepenbrook Luis E. Kemnitzer James G. Creed William S. McBurnie Hazel D. Boellner Betty Arden Boellner Jones Lois Jeanne Boellner Fry Robert J. Leonard Patrick J. Leonard Timothy T. Leonard	William S. McBurnie Hazel D. Boellner Betty Arden Boellner Jones Lois Jeanne Boellner Fry Robert J. Leonard Patrick J. Leonard Timothy T. Leonard	Overriding Royalty Ownership
1.0000%	2500% -1562% -1562% -1563% -12500% 3.1250% 3.1250%	1.2500% 1.2500% 3.750% 3.1250% 3.1250%	Percentage
F. O. & E. A. Elliott E. I. & O. R. Hall, Jr. Triton Drlg. Co. Yates Drlg. Co Yates Pet. Co. Martin Yates III	Tenneco Oil Co.		Working Interest Ownership
6.2500% 6.2500% 7.8125% 27.3437% 25.0000% 27.3438%	100.0000%		Percentage

25-A	25	24	Tract No. 23-A
(14-19-31) SE%;	(13-19-31) SEL	(30-19-32) NWZNEZ	Description of Land (S-T-R) (30-19-32) NEWNEW
200.00	160.00	40.00	Number of Acres
NM 05470-C	MM 05470-C HBP	WM 01218-A HBP	Serial No. & Expiration Date NM 01218 HBP
U.S. All	U.S. A11	U.S. All	Basic Royalty U.S. All
Kerr McGee Corp. Phillips Pet. Co.	Kerr McGee Corp. Phillips Pet. Co.	Kerr McGee Corp. Phillips Pet. Co.	Lessee of Record Frank Elliot Edna Ione Hall
Jerune Allen, Trustee for Caroline Jane Arrott	Jerune Allen, Trustee for Caroline June Arrott Atlantic Richfield W. E. Bondurant, Jr. Mrs. U. Vera Cox Higgins Trust, Inc. Billie L. Kruse, Trustee Plus Prod. Payment Ross L. Malone, Jr. Plus Prod. Payment Edgar F. Puryear Prod. Pay. Tommye June Robinson Henry N. Sweeney Plus Prod. Payment Jimmie Marie Joy, Trustee for Sandra Leigh Worley Plus Prod. Payment Jimmie Marie Joy, Trustee for Susan Lynn Terry Plus Prod. Payment Jimmie Marie Joy, Trustee for Susan Lynn Terry Plus Prod. Payment Jimmie Marie Joy, Trustee for Susan Lynn Terry Plus Prod. Payment J. G. Thornhill	Joseph L. McClellen, Jr. Phillips Pet. Co. Kerr McGee Corp.	Overriding Royalty Ownership Phillips Pet. Co. Kerr McGee Corp.
.4222%	. 1056% . 2667% . 0667% . 2000% . 1408% . 2222% . 2111% . 3333% . 22000% . 1407% . 22222% . 1407%	.1250% .1250%	Percentage .5000% .1250%
Kerr McGee Corp. Phillips Pet. Co.	Kerr McGee Corp. Phillips Pet. Co.	Frank O. Elliott Edna Ione Hall Kerr McGee Corp. Phillips Pet. Co. Triton Oil & Gas Yates Drlg. Co. Martin Yates III	Working Interest Ownership Frank O. Elliott Edna Ione Hall Kerr McGee Corp. Phillips Pet. Co. Triton Oil & Gas Yates Drlg. Co. Martin Yates III
50.000% 50.000%	50.0000% 50.0000%	6.2500% 6.2500% 25.0000% 4.6880% 16.4060%	Percentage 6.2500% 6.2500% 25.0000% 4.6880% 16.4060%

27 <b>-</b> A	27	26 <b>-</b> A	26	25 <b>-</b> A	Tract
(15–19–31) Nanea; seanea	(14-19-31) N½NE%	(23-19-31) NEŽNWŽ	(13-19-31) W <sup>1</sup> 25W <sup>1</sup> 4	(Continued) (15-19-31) NE\$\frac{1}{4}SE\frac{1}{4}	Description of Land (S-T-R)
120.00	80.00	40.00	80.00		Number of Acres
NM 09003-C HBP	NM 09003-C HBP	NM 09003 HBP	NM 09003 HBP		Serial No. & Expiration Date
U.S. All	U.S. All	U.S. All	U.S. All		Basic Royalty
Atlantic Richfield	Atlantic Richfield	Homer Dickes Don Angle	Homer Dickes Don Angle		Lessee of Record
Barbara Sweeney Elsie Gormon, \$500 per ac. Prod. Pay out of	Barbara Sweeney Elsie Gorman, \$500 per ac. Prod. Pay. out of	Elsie Gorman Homer Dickes Don Angle	Elsie G. Gorman, 1.25% Prod. Pay. Plus 2.50% ORR H. N. Sweeney, 1.25% Prod. Pay. Plus 2.50% ORR Homer Dickes & Don Angle	Atlantic Richfield Mrs. U. Vera Cox Higgins Trust, Inc. Billie L. Kruse, Trustee for Barbara Frakenfield Plus Prod. Payment Ross L. Malone, Jr. Plus Prod. Payment Edgar F. Puryear Prod. Pay. Tommye June Robinson Henry N. Sweeney Plus Prod. Payment Jimmie Marie Joy, Trustee for Sandra Leigh Worley Plus Prod. Payment Jimmie Marie Joy, Trustee for Susan Lynn Terry Plus Prod. Payment	Overriding Royalty Ownership P
5.0000%	5.0000%	5.0000% 2.5000% 2.5000%	R 3.7500% 3.7500% 3.7500%	.2667% .2000% .1408% .2222%2111%3333%2000%2111%2000%2111%2222%1407%2222%1407%	Percentage
Atlantic Richfield	Pet. Eval. & Mgmt. Phillips Pet. Co. Kerr McGee Corp. Atlantic Richfield	Tenneco Oil Co. Continental Oil Co.	Continental Oil Co. Clinton Oil Co. Tenneco Oil Co.		Working Interest Ownership
100.0000%	37.5000% 25.0000% 25.0000% 12.5000%	50.0000% 50.0000%	12.5000% 12.5000% 75.0000%		Percentage

30	29	Tract No. 28
(7-19-32) Seysey	(19-19-32) E <sup>1</sup> 2	Description of Land (S-T-R)  (19-19-32)  NEXNWA (Lot 1)
40.00	320.00	Number of Acres
NM 025779-A HBU	NM 025566	Serial No. & Expiration Date NM 016497
U.S. All	All All	Basic Royalty U.S. All
Amoco Prod. Co.	Scope Industries	Lessee of Record Olen F. Featherstone
Hoover & Betty Ruth Wright Elbert T. & Stella Boling Robert E. Boling T. E. Brown, Jr. American Natl. Bank Stanley Carper DAPCO, Inc. Win, Inc. A. J. Losee A. J. Losee	Atlantic Richfield Atlantic Richfield (Argo Prod. Pay.) William S. Bailey, Jr. Margot Suzanne Chambers Selma E. Andrews Agency Albuquerque Natl. Bank Roy G. Barton Roy G. Barton, Jr. E. A. & Marion Culbertson Roy G. Barton, Jr. E. A. & Marion Culbertson Wallace W. & Kathleen Irwin Higgins Trust, Inc. Elaine Graham Krasne David Graham Krasne David Graham Kroonald Two States Oil Co. The Wiser Oil Co. Fred C. Rohrbach Scope Industries Plus excess ORR Zelwyn Graham Zelwyn Graham John William McDonald So. N. M. Oil Corp. Excess Prod. Pay from Phillips	Overriding Royalty Ownership Olen F. Featherstone II So. N. M. Oil Corp. Prod. Pay of 25% of 60.9271
2. 2. 2. 2. 2. 2. 2. 2. 2. 2.		Percentage 5.0000 % 15.2318 %
Gulf Oil Co. Kerr McGee Corp. Phillips Pet. Co.	Gulf Oil Corp. Kerr McGee Corp. Phillips Pet. Co.	Working Interest Ownership Gulf Oil Corp. Kerr McGee Corp Phillips Pet. Co.
4.2074 % 10.9708 % 84.8218 %	1.2074 % 84.8218 %	Percentage 4.2074 % 10.9708 % 84.8218 %

ω v	Ψ	No. 30
(11-19-31) E½NW¾	(28-19-31) SE4	Description of Land (S-T-R) (Continued)
80.00	160.00	Number of Acres
NM 034954 HBP	NM 032240 HBU	Serial No. & Expiration Date
U.S. All	U.S. All	Basic Royalty
Gulf Oil Co.	Barbara Talento Frank Andrews Eugenia Bate Senemex, Inc.	Lessee of Record
Reuben B. Knight Winifred T. Seaton Rubie C. Bell Elizabeth W. Chaney Stanley W. Crosby III Eugenia Bate George H. Hunker, Jr.	Frank K. & M. Andrews Eugenia Bate Robert Bunnell E. W. Christensen Continental Oil Co. Virginia Hess Vola Horst JoAnna W. Light Harry A. Miller Margaret A. Miller Margaret A. Miller Toseph E. Seagram & Sons Barbara N. Talento Tony Talento Tony Talento Tenneco Oil Co. W. W. Buchanan Mrs. M. Buchanan L. N. Dunnavant	Overriding Royalty Ownership  Bonnie J. Sorenson Claudyne Brown Thorp Julia S. Terry Mamie Bell Terry Jones Elmira Terry Welch Sanders A. Terry Estate Amoco Prod. Co. So. N. M. Oil Corp. Excess ORR
. 1800 . 6250 . 3125 . 3125	1.000 .5000 .1250 .1250 .1250 .75000 .75000 .75000 .12500 .125000 .125000 .125000 .125000 .125000 .125000 .125000 .1250000 .125000000000000000000000000000000000000	Percentage .1386% .4989% .2309% .0770% .0770% 12.5000%
Gulf Oil Co.	Harry Armstrong Dale L. Brown F. Jane Baker Dr. Nathan E. Carl Stuart A. Frye Fred Foster, Jr. Harry P. Hatry Saul Hoch Dr. Howard P. House Arthor Ingoldsby James Ingoldsby C. M. Kincaide III Charles Kincaide, Jr. Robert K. Kerlan Fred B. Lewis C. V. Lymen Dr. Charles Malone North American Resources Joe F. O'Conner Harry Piccarillo R. G. Wallace Western States Frod Co.	Working Interest Ownership
100.0000%	es 3.1250 3.1250 3.1250 3.1250 6.2500 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1250 3.1	Percentage

36	35	34	33	32-A	3 N	Tract
(18-19-32) Lot 3 & 4; SE4SW4	(11-19-31) SW%	(1-19-31) Ne%Se% (11-19-31) N%Ne%	(17-19-32) NW4,	(10-19-31) SELNWL	(Continued)	Description of Land (S-T-R)
121.63	160.00	120.00	160.00	40.00		Number of Acres
NM 038690 HBP	NM 036739 9-30-76	NM 036230 10-31-81	NM 036100 HBU	NM 034954 HBP		Serial No. & Expiration Date
U.S. All	U.S. All	U.S. All	U.S. All	U.S. All		Basic Royalty
Kerr McGee Corp. Phillips Pet, Co.	General Energy Corp. Joe Sommer	Continental Oil Co. Clinton Oil Co.	Gulf Oil Co.	Gulf Oil Co.		Lessee of Record
Excess ORR, So. N. Mex Oil Corp. Prod. Pay from Phillips 25% of 64.6197%	Joseph A. & Margaret Sommer Thomas F. & Jane McKenna General Energy Corp.	Alvin Hill	Atlas Oil Co. Frank A. & Ethel M. Davison Len M. Davison Kathleen S. Hartman Hoover & Betty Ruth Wright So. N. Mex. Oil Corp. Prod. Pay. 25% of 61.6656% from Phillips Pet. Co. 1 Warren T. Brown	Rubie C. Bell Mrs, Elizabeth W. Chaney Stanley W. Crosby III Neil H. Wills	D. W. Whitlow Virginia Hess Hoover H. Wright JoAnna W. Light Harry V. Allison Neil H. Wills R. M. Hess, Trustee Elizabeth Mendez	Overriding Royalty Ownership
16.1549	2.0838% 2.0825% 8.3337%	5.0000%	1.5000% .5000% .2500% .7500% .2500% .2500% .7500%	1.2500% .6250% .6250% 2.5000%	.1800% .1000% .1800% .2000% 1.2500% .0040%	Percentage
Gulf Oil Co. Kerr McGee Corp. Phillips Pet. Co.	Gulf Oil Co.	Continental Oil Co. Clinton Oil Company	Gulf Oil Co. Kerr McGee Corp. Phillips Pet. Co.	Gulf Oil Co.		Working Interest Ownership
4.2074 % 10.9708 % 84.8218 %	100.0000 %	50.0000 %	4.207 <b>4%</b> 10.9708 <b>%</b> 84.8218 <b>%</b>	100.0000 %		Percentage

39-A	39	38-A	u ⊗	Tract No.
(23-19-31) S½NW¼	(23-19-31) SW% (25-19-31) NE%; SW% (26-19-31) NE%; N%SW%; SW%SW%	(10-19-31) Wzneż; neżnwż; neżswż	(11-19-31) W-2NW-4	Description of Land (S-T-R) (10-19-31)
80.00	760.00	160.00	80.00	Number of Acres 160.00
NM 0107697 HBP	NM 0107697 HBP	NM 057510 1-31-77	NM 057510 1-31-77	Serial No. & Expiration Date NM 055493 10-31-81
U.S. All	U.S. All	U.S. All	U.S. All	Basic Royalty U.S. All
Tenneco Oil Co. Continental Oil Co.	Tenneco Oil Co. Continental Oil Co.	Gulf Oil Co.	Gulf Oil Co.	Lessee of Record Amoco Prod. Co. Continental Oil Co.
Marathon Oil Co.  Martin Yates III  Yates Drilling Co.  Chemical Bank of New York  Trust Co. Prod. Pay.	Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.	Eugenia Bate Reuben B. Knight George H. Hunker, Jr. Hoover Wright Virginia Hess Max Seaton Elizabeth W. Christensen JoAnna W. Light Harry V. Allison R. M. Hess, Trustee	Reuben B. Knight Winifred T. Seaton Rubie C. Bell Elizabeth Mendez Mrs, Elizabeth W. Chaney Stanley W. Crosby III Eugenia Bate George H. Hunker, Jr. D. W. Whitlow Virginia Hess Hoover H. Wright JoAnna W. Light Harry V. Allison Neil H. Wills R. M. Hess, Trustee	Overriding Royalty Ownership Alvin Hill
3.0000% 1.0000% 1.0000% 70.1250%	1.0000% 1.0000% 72.6750%	%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%	1	Percentage 5.0000%
Continental Oil Co. Tenneco Oil Co.	Continental Oil Co. Tenneco Oil Co.	Gulf Oil Co.	Gulf Oil Corp.	Working Interest Ownership Amoco Prod. Co. Continental Oil Co.
50.0000% 50.0000%	50.0000%	100.0000%	20000.0000	<u>Percentage</u> 50.0000% 50.0000%

39। ਸ	39-E	39-D	39 <b>-</b> C	Tract No. 39-B
(24-19-31) w <sup>1</sup> 2NE4	(23-19-31) NE光	(24-19-31) N <sup>1</sup> 2NW <sup>2</sup> 4; SW <sup>2</sup> 4NW <sup>2</sup> 4	(24-19-31) S\SW\;; NW\SW\;	Description of Land (S-T-R)  (23-19-31) SE% (25-19-31)  NW%; SE% (26-19-31)  NW%; N%SE%
80.00	160.00	120.00	120.00	Number of Acres 720.00
NM 0107697 HBP	NM 0107697 HBP	NM 0107697 HBP	NM 0107697 HBP	Serial No. & Expiration Date NM 0107697 HBP
U.S. All	U.S. All	U.S. All	U.S. All	Basic Royalty U.S. All
Tenneco Oil Co. Continental Oil Co.	Tenneco Oil Co. Continental Oil Co.	Tenneco Oil Co. Continental Oil Co.	Tenneco Oil Co. Continental Oil Co.	Lessee of Record Tenneco Oil Co. Continental Oil Co.
Albuquerque Nati. Bank Trustee U/W Ruby English Leroy English Michael L. English Patrick B. English	Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.	Marathon Oil Co. Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.	Albuquerque Natl. Bank Trustee U/W Ruby English Leroy English Michael English Patrick B. English Stanley G. English Juretta L. English James B. Francis Patricia Peck Griffin Joy English Marquez Evelyn Ann Woods Evelyn Ann Woods Evelyn Ann English Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay. William B. English	Overriding Royalty Ownership  Marathon Oil Co. Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.
.1504 <i>%</i> .5298 <i>%</i> .0376 <i>%</i>	1.0000% 1.0000% 54.5062%	3.0000% 1.0000% 1.0000% 70.1249%	.1504% .5298% .0376% .0376% .0376% .1709% .1196% .1017% .0376% .0428% .0428% .0641% 1.0000% 1.0000%	Percentage 3.0000% 1.0000% 1.0000%
Tenneco Oil Co. Continental Oil Co.	Continental Oil Co. Tenneco Oil Co. D. H. Byrd	Tenneco Oil Co. Continental Oil Co.	Continental Oil Co. Tenneco Oil Co.	Working Interest Ownership Continental Oil Co. Tenneco Oil Co.
50.0000% 50.0000%	37.5000% 37.5000% 25.0000%	50.0000% 50.0000%	50.0000% 50.0000%	Percentage 50.0000% 50.0000%

39 <b>-</b> I	39-н	39-G	39 <b>-</b> ਸ	Tract
(24-19-31) NE%SW%	(24-19-31) SEYNWY	(30-19-32) W <sub>2</sub> NW <sup>2</sup> (Lot 1 & 2)	(Continued)	Description of Land (S-T-R)
00.004	40.00	81.52		Number of Acres
NM 0107697 HBP	NM 0107697 HBP	NM 0107697 HBP		Serial No. & Expiration Date
U.S. All	U.S. All	U.S. All		Basic Royalty
Tenneco Oil Co. Continental Oil Co.	Tenneco Oil Co. Continental Oil Co.	Tenneco Oil Co. Continental Oil Co.		Lessee of Record
Albuquerque Natl. Bank Trust U/W Ruby English Leroy English Michael English Patrick B. English Stanley G. English Juretta L. English James B. Francis Patricia Peck Griffin Joy English Marquez Evelyn Ann Woods William B. English	Marathon Oil Co. Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.	Marathon Oil Co. Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.	Stanley G. English William B. English, Guard. for Stanley G. English, William D. English, William D. English J. Kathleen English James B. Francis Patricia Peck Griffin Joy English Marquez Evelyn Ann Woods Evelyn Ann Woods, Guardian for Evelyn Ann English Martin Yates III Yates Drilling Co. Chemical Bank of New York Trust Co. Prod. Pay.	Overriding Royalty Ownership
.1504% .5298% .0376% .0376% .1709% .1196% .1196% .0376%	3.0000% 1.0000% 1.0000% 70.1249%	1.5111% .5047% .5047%	.0376% .0376% .1710% .1196% .1018% .00428% 1.0000% 1.0000%	Percentage
Continental Oil Co. Tenneco Oil Co.	Tenneco Oil Co. Continental Oil Co.	Continental Oil Co. Tenneco Oil Co. Kerr McGee Corp. Phillips Pet. Co.		Working Interest Ownership
50.0000 <i>%</i>	50.0000% 50.0000%	25.2350% 25.2350% 24.7650% 24.7650%		Percentage

47	й6-A	94	75	14 14 — B	և կ-A	Tract	
(13-19-31) Se%Sw%	(6-19-32) S\2SE\; NW\2SE\	(6-19-32) Winny (Lot 1 & 2)	(27-19-31) N <sup>1</sup> 2	(21-19-32) W%SE%; SW%NE% (28-19-32) W%NE%	(21-19-32) $S\frac{1}{2}NW_{4}^{1}$	Description of Land (S-T-R)	
40.00	120.00	82.67	320.00	200.00	80.00	Number of	
NM 0309377 HBP	NM 0309376 HBP	им 0309376 НВР	NM 0299646 HBP	NM 0175774 HBP	NM 017577 <sup>4</sup> HBP	Serial No. & Expiration Date	
U.S. All	U.S. All	U.S.	U.S. All	U.S. All	U.S. All	Basic Royalty	
Clinton Oil Co. Continental Oil Co.	Continental Oil Co.	Continental Oil Co.	Tenneco Oil Co.	Mobil Oil Corp.	Mobil Oil Corp.	Lessee of Record	
Elsie G. Gorman, 1.25% Pro Pay. Plus 2,50% ORR H. N. Sweeney, 1.25% Prod. Pay. Plus 2.50% ORR Homer Dickes & Don Angle	Bertie Noland Price W. N. Price Wamie Bell Terry Rook Jimmie Marie Terry, Admin. of the Estate of Sanders A. Terry Julia S. Terry Claudyne Brown Thorp Elmira Terry Welch	Bertie Noland Price W. N. Price Mamie Bell Terry Rook Jimmie Marie Terry, Admin. of the Estate of Sanders A. Terry Julia S. Terry Claudyne Brown Thorp Elmira Terry Welch	Joan R. Duncan Vincent J. Duncan Walter Duncan	Featherstone Farms, Lt. Ewell H. Muse, Jr.	Featherstone Farms, Lt. Ewell H. Muse, Jr.	Overriding Royalty Ownership	
Prod. 3.7500% od. 3.7500% le 3.7500%	. 3516% 1.9921% .0781% .0781% .2344% .3516%	. 1688% 2.6561% . 1042% . 1042% . 1042% . 1042%	%0000 %0000 %	3.0000%	3.0000% .5000%	Percentage	
Continental Oil Co. Clinton Oil Co. Tenneco Oil Co.	Tenneco Oil Co. Continental Oil Co. Mary Terrell Ard Betty C. Hudson Edward R. Hudson, Jr.	Continental Oil Co. Tenneco Oil Co.	Tenneco Oil Co.	Mobil Oil Corp.	Mobil Oil Corp.	Inte rship	EVITED D - LARE CO
12.5000% 12.5000% 75.0000%	30.0000 3.33333 3.33334 3.3334	40.0000%	100.0000%	100.000%	100.0000%		,

49-в	49-А	61	Tract No.
(5-19-32) W2NW4	(6-19-32) NE%SE%	(6-19-32) Seynex	Description of Land (S-T-R)  (13-19-31)  NE4SW4
80.00	40.00	40.00	Number of Acres
NM 0319697 HBP	NM 0319697 HBP	NM 0319697 HBP	Serial No. & Expiration Date NM 0309377-A HBP
U.S. All	U.S. All	U.S. All	Basic Royalty U.S. All
Betty C. Hudson	Betty C. Hudson	Betty C. Hudson	Lessee of Record Tenneco Oil Co.
None	Bertie Noland Price W. N. Price Wamie Bell Terry Rook Jimmie Marie Terry, Admin. of the Estate of Sanders A. Terry Julia S. Terry Claudyne Brown Thorp Elmira Terry Welch	American Natl. Bank of Amarillo, Admin. of the Estate of Dorothy W. Price, Deceased Dapco, Inc. Win, Inc. J.L. & Rita Buckley Prod. Pay Roger & Nancy Cummings Prod. Pay Kincaide & Watson Drlg. Co.	Overriding Royalty  Ownership  Elsie G. Gorman, 1.25% Prod. Pay. Plus 2.50% ORR H. N. Sweeney, 1.25% Prod. Pay. Plus 2.50% ORR Homer Dickes & Don Angle
	.3516% 1.9921% 1.0781% .0781% .2344% .3516%	.4688% 1.8750% 1.4062% .1250% .2500%	Percentage od. 3.7500% 3.7500% 3.7500%
Tenneco Oil Co. Wm. A. Hudson E. R. Hudson Mary Terrell Ard Atlantic Richfield Pioneer Enterprises Fluor Oil and Gas Corporation Texas Crude Oil	Tenneco Oil Co. Continental Oil Co. Mary Terrell Ard Betty C. Hudson Edward R. Hudson, Jr.	Tenneco Oil Co. Continental Oil Co. Mary Terrell Ard Betty C. Hudson Edward R. Hudson, Jr.	Working Interest Ownership Continental Oil Co. Clinton Oil Co. Tenneco Oil Co.
30.0000% 6.6667% 6.66667% 6.6666% 21.8750% 21.8750% 7.8125%	30.0000 3.3333 3.3333 3.3333 4.3333 4.3333	60.0000% 29.4578% 3.5141% 3.5141% 3.5140%	Percentage 12.5000% 12.5000% 75.0000%

No.	Land (S-T-R)	Acres	Expiration Date	Royalty	Lessee of Record	Ownership	Percentage	Ownership	Percentage
50	(5-19-32)	80.00	NM 0319697	U.S.	Superior Oil Co.	W. N. Price Est.	3.4375%	Atlantic Richfield	18.7500%
	E%SW%		HBP	All		Paul Terry	.6250%	Fluor Corp.	7.8125%
						T. E. Brown, Jr.	.4687%	Pioneer Enterprises	9.3750%
						Claudyne Brown Thorp	.4688%	W. N. Price Est.	12.5000%
								Superior Oil	50.0000%
								Texas Crude	1.5625%

## EXHIBIT "B" - PAGE 23

Tract No. 51 52	Description of Land (S-T-R)  (14-19-31) (14-19-31) NHSWH; SELSWH (14-19-31) SHNEH (4-19-32) NWHSWH (5-20-32) NEHNWH (Lot 3) NWHNEH (Lot 2)	Number of Acres 120.00 120.00 80.00 79.90	Serial No. & Expiration Date NM 0554775 8-31-74 8 5-31-75 NM 0557149 5-31-75 NM 0557833 8-31-75	Basic Royalty U.S. All U.S. All U.S. All U.S. All U.S. All	Lessee of Record Tenneco Oil Co.  Phillips Pet. Co. Llano, Inc.  Allied Chem. Corp.	Overriding Royalty Ownership El Paso Natural Gas Harry A. Miller Martha J. Buchanan Waymen Buchanan L. N. Dunnavant Marian H. Mattonen Robert R. Horn Consolidated Dev. Co.	Percentage 1.5000% 1.5000% 1.9688% 1.9375% 5.0000% 5.0000%	
52	(14-19-31) S½NE%	80.00	NM 0557148 5-31-75	U.S.	•	×		Mattonen
53	(4-19-32) NW4SW4	00.00	NM 0557149 5-31-75	U.S. All	Llano, Inc.	ь	R.	R. Horn
54	(5-20-32) NEWWY (Lot 3) NWYNEY (Lot 2)	79.90	NM 0557833 8-31-75	U.S. All	Chem.		Dev.	Dev. Co.
55	(1-19-31) Semnem; Swm; Sysem	280.00	NM 3620 10-31-77	U.S. All	James V. O'Kane & F. Kenneth Millhollen		Ivan S. Osburn Doreen Smith	Ivan S. Osburn 2.5000% Doreen Smith 2.5000%
56	(17-19-32) NELNEL	40.00	NM 4310 1-31-78	U.S. All	W. R. Carter	نو⊶	None	Vone
57	(17-19-32) Selsel	40.00	NM 4311 1-31-78	U.S. All	Anadarko Prod. Co.		None	None
58	(31-19-32) Lots 1, 2, 3, 5, 6, NEYNWY; NEYSWY	280.99	NM 7823 10-31-78	U.S. All	A.G. Andrikopolos		Angela T. Lafkas	H.
59	(12-19-31) NWZNWZ	00.00	NM 9217 3-31-79	U.S.	Allen P. Calvert		None	None
60	(12-19-31) S½NW%; NE¾NW¾	120.00	NM 9559 5-31 <b>-</b> 79	U.S. All	J. Penrod Toles		None	None
61	(4-20-32)	40.01	NM 9561 6-30-79	U.S.	Allied Chemical Corp.		Paul M. Haywood	

71	70	69	68	67	66	65	46	63	62	Tract
(22-19-31) W2SW4 (28-19-31) SE4NE4	(6-20-32) NW/NE (Lot 2)	(22-19-32) S½SW½	(15-19-31) SWANEX	(8-19-32) e½se½; se½ne½ (9-19-32) nw½nw½; sw½sw½	(22-19-32) N\SW\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	(5-20-32) NWANWA (Lot 4); NEWANEA (Lot 1) (6-20-32) NEWANEA (Lot 1)	(31-19-32) Sehnwh	(31-18-32) NEYNWY	(12-19-31) S½SW%; NW%LSW%	Description of Land (S-T-R)
120.00	39.94	240.00	40.00	200.00	520.00	119.81	40.00	40.00	120.00	Number of Acres
NM 17230 12-31-82	NM 16823 5-31-83	NM 14931 12-31-81	NM 14151 7-31-81	NM 13422 3-31-81	NM 12412 10-31-80	NM 12356 11-30-77	NM 10469 10-30-79	NM 10468 9-30-79	NM 10279 9-30-79	Serial No. & Expiration Date
U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	Basic Royalty
Western Reserves	Husky Oil Co.	Sun Oil Co.	C. F. O'Quinn	Walter Balkus, Jr.	Sun Oil Co.	Phillips Pet. Co.	Stephen Garbera	Jack J. Grynberg Victor Roberts	Franklin, Aston & Fair, Inc.	Lessee of Record
Raymond E. Sonnenwald	None	None	None	None	Central Southwest Corp. Mary A. Sloan	Joy S. Burns	Stephen Garbera	None	A. Lansdale Franklin, Aston & Fair, Inc.	Overriding Royalty Ownership
2.0000%					1.0000% 2.0000%	6.2500%	7.5000%		7.0000%	Percentage
Western Reserves Oil Co.	Husky Oil Co.	Sun Oil Co.	C. F. O'Quinn	Walter Balkus, Jr,	Sun Oil Co.	Phillips Pet. Co.	Llano, Inc.	Jack J. Grynberg Victor Roberts	Llano, Inc.	Working Interest Ownership
100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	50.0000% 50.0000%	100.0000%	Percentage

83	82.	81	80	79	78	77	76	75	74	73	72	Tract
(22-19-31) 时; 时swh; SE表NW表	(15-19-31) S\SE\	(14-19-31) NWK	(13-19-31) NWL; N2NEL; SEŽNEŽ	(12-19-31) 略	(11-19-31) S%NE%; SE%	(33-19-31) NW%	(33-19-31) N½SW%; SE%SW%	(15-19-31) NW%SE%	(5-19-32) W2NE%	(31-18-32) N%NE% (5-19-32) SE%NE%	(12-19-31) NE%SW%	Description of Land (S-T-R)
440.00	80.00	160.00	280.00	320.00	240.00	160.00	120.00	40.00	80.00	120.00	40.00	Number of Acres
KGS	KGS	KGS	KGS	KGS	KGS	NM 019854 12-31-83	NM 019442 10-31-83	NM 19198 9-30-83	NM 18629 6-30-83	NM 17435 1-31-83	NM 17433 1-31-83	Serial No. & Expiration Date
U.S. All	U.S.	U.S.	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S.	U.S. All	U.S. All	U.S. All	Basic Royalty
None	None	None	None	None	None	Tom Cone	Amini Oil Co.	Gulf Oil Corp.	Amoco Prod. Co.	Dorothy D. Rupe	C. A. Slinkard	Lessee of Record
None	None	None	None	None	None	None	C. E. Strange	Panos Investment Co.	Oard L. Baumgardner G. W. Allen Eddy Land Co., \$150 per ac. Prod. Pay out of	None	None	Overriding Royalty Ownership
							5.0000%	5.0000%	3.0000% 1.0000% 1.0000%			Percentage
None	None	None	None	None	None	Tom Cone	Amini Oil Co.	Gulf Oil Corp.	Amoco Prod. Co.	Dorothy D. Rupe	C. A. Slinkard	Working Interest Ownership
						100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	Percentage

46	93	92	91	90	89	88	87	86	85	84	Tract
(31-19-32) NEX; NZSEX; SEXSEX (Lot 7)	(30-19-32) SE%	(18-19-32) NEX; NEXNWX; SWEXNWX (Lot 1 & ?	(8-19-32) W%; W%E%; NEYNE%	(7-19-32) W%; N%SE%; SE%SE% (Lots 1, 2, 3, & 4)	(6-19-32) SW% (Lot 3 & 4)	(5-19-32) E%NW4; SE4	(4-19-32) SW4SW4	(3-19-31) SE <sup>4</sup> SE <sup>4</sup>	(31-18-32) S½NE¼; SE¼; SE½NW½	(23-19-31) NW <del>1</del> NW <del>1</del>	Description of Land (S-T-R)
281.03	160.00	281.61 2)	520.00	443.40	162.09	240.00	40.00	00.00	280.00	40.00	Number of Acres
KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	Serial No. & Expiration Date
U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	U.S. All	Basic Royalty
None	None	None	None	None	None	None	None	None	None	None	Lessee of Record
None	None	None	None	None	None	None	None	None	None	None	Overriding Royalty Ownership
											Percentage
None	None	None	None	None	None	None	None	None	None	None	Working Interest Ownership
											Percentage

EXHIBIT "B" - PAGE 27

105 (36 NE <sup>3</sup>	104 (32 NW4	103 (13 SW <del>4</del>	102 (2- SE%	101 (2-)	100 (3- SW <del>1</del>	99-A (3: 2,	99 (3) Sz	98 (3: NE	97 (2- 당청	96 (2- sw	95 (3:	NEW MEXICO	Tract Des
(36-19-31) NE站; NE袁NW袁	(32-18-32) NW4	(13-19-31) SW <sup>1</sup> / <sub>4</sub> NE <sup>1</sup> / <sub>4</sub>	(2-19-31) SE%	(2-19-31) Sw4	(3-19-31) SW12SE1	(32-19-32) S½; NW½ (Lots 1, 2, 3, & 4)	(32-19-32) Sznez	(32-19-31) NE¼NE¾	(2-19-31) S>nex; seinwi	(2-19-31) SW <del>1</del> NW <del>1</del>	(32-19-32) N½NE¾	NEW MEXICO STATE LANDS	Description of Land (S-T-R)
200.00	160.00	40.00	160.00	160.00	40.00	482.28	80.00	40.00	120.00	40.00	80.00		Number of
L-6863-1 1-1-82	L-3778 11-18-79	K-4989 5-18-75	K-4658 1-19-75	K-4331 8-18-74	LG-1477 1-1-84	E-9721 HBP	E-9721 HBP	E-7345-2 HBP	E-6018-3 HBP	E-6017-3 HBP	B-1482-1 HBP		Serial No. & Expiration Date
N.M. All	N.M. All	N.M. All	N.M. All	N.M. All	N.M. All	N.M. All	N.M. All	N.M. All	N.M.	N.M. All	N.M. All		Basic Royalty
Hanland Oil Corp.	Aztec Oil & Gas	Atlantic Richfield	L. C. Harris	Allied Chemical	Amoco Prod. Co.	Texaco	Texaco, Inc.	Tenneco Oil Co.	Continental Oil Co. Amoco Prod. Co.	Continental Oil Co. Amoco Prod. Co.	Cities Service		Lessee of Record
None	None	None	None	None	None	None	None	None	None	None	None		Overriding Royalty Ownership
													Percentage
Hanland Oil Corp.	Aztec Oil & Gas	Atlantic Richfield	L. C. Harris	Allied Chemical	Amoco Prod. Co.	Texaco	Texaco, Inc. Cities Service	Tenneco Oil Co.	Continental Oil Co.	Continental Oil Co.	Cities Service		Working Interest Ownership
100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	50.0000% 50.0000%	100.0000%	100.0000%	100.0000%	100.000%		Percentage

EXHIBIT "B" - PAGE 28

108 (32	107 (16 Swa	74N (16	Tract Des
(32-18-32)	(16-19-32) SW4; W}SEŽ	(16-19-32) NW1; SW1NE1	Description of Land (S-T-R)
240.00	240.00	200.00	Number of
LG-1044	LG-0605-1 9-1-82	LG-0604 12-1-82	Serial No. & Expiration Date
N.M.	N.M. All	N.M. All	Basic Royalty
Midwest Oil Corp.	Coronet Trading Corp. Michael Shearn George Edward Wilma D. Molee	Midwest Oil Corp.	Lessee of Record
None	Michael Shearn George Edward Moleen Wilma D. Moleen	None	Overriding Royalty Ownership
	5.0000% 2.5000%		Percentage
Midwest Oil Corp.	Coronet Trading Corp	Midwest Oil Corp.	Working Interest Ownership
100.0000%	100.0000%	100.0000%	Percentage

<sup>15</sup> State Tracts - 2,282.28 Acres or 10.9389% of Unit Acres

Total - 138 Tracts - 20,863.88 Acres in Entire Unit.

EXHIBIT "C"
TRACT PARTICIPATION
LUSK STRAWN DEEP UNIT
LEA AND EDDY COUNTIES, NEW MEXICO

13	12	11	10	9-B	9-A	9	œ	7	σ	5-A	Ŋ	4	S	2-A	N	-1	Tract
LC 068019	LC 065863	LC 065710-B	LC 065710-A	LC 065710	LC 065710	LC 065710	LC 064833	LC 064198-A	LC 063622	LC 063586	LC 063586	LC 062903	LC 058008-B	LC 029358	LC 029358	LC 029353-B	Tract Serial
(HBP)	(нви)	(нви)	(HBP)	(нви)	(HBU)	(HBP)	(1-1-79)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(11-1-81)	(HBP)	(HBP)	(11-1-81)	l No.
SE4NW4 (19-19-32)	SW\(\frac{1}{4}\)NW\(\frac{1}{4}\); NB\(\frac{1}{4}\)SW\(\frac{1}{4}\); SW\(\frac{1}{4}\)SW\(\frac{1}{4}\)	$SW_{\frac{1}{4}}SW_{\frac{1}{4}}$ (28-19-32)	All (20-19-32)	NWŽNEŽ; SEŽSWŽ; EŽSEŽ; SEŽNEŽ (21—19—32)	Naswa; Seaswa (21-19-32)	Nanw4 (21-19-32)	NE4SE4 (3-19-31)	SE4 (18-19-32)	SSSE 4; SE 4SW 4 (21-19-31) WS; WS NE 4; NE 4NE 4 (28-19-31) ESSE 4 (29-19-31)	±2sw4 (29-19-32)	Na; SE4; Wasw4 (29-19-32)	$SW_{\frac{1}{4}}^{\frac{1}{4}}$ (Lot 3 & 4)(31-18-32)	$NE_{\frac{1}{4}}^{\frac{1}{4}}NE_{\frac{1}{4}}^{\frac{1}{4}}$ (Lot 1)(1-19-31)	$E_{2}^{\frac{1}{2}}NE_{4}^{\frac{1}{2}}$ (24–19–31)	SE4 (24-19-31)	E2NE4 (10-19-31)	Description (S-T-R)
40.00	121.77	40.00	640.00	400.00	120.00	80.00	40.00	160.00	640.00	80.00	560.00	162.79	39.99	80.00	160.00	80.00	Surfa
0.001917	0.005836	0.001917	0.030675	0.019172	0.005752	0.003834	0.001917	0.007669	0.030675	0.003834	0.026841	0.007803	0.001917	0.003834	0.007669	0.003834	5%) ce Acres Unit Frac.
40.00	121.77	40.00	619.00	179.00	119.00	-	-	160.00	88.00	80.00	560.00			80.00	160.00	30.00	l H
0.003490	0.010625	0.003490	0.054009	0.015618	0.010383	1	-	0.013960	0.007678	0.006980	0.048861		1	0.006980	0.013960	0.002618	(20%) Productive Acres ract Unit Frac.
1,275	3,356	1,490	28,949	3,376	4,021	*		5,740	617	2,850	23,998	1		1,976	4,100	106	Net Ac.
0.003613	0.009511	0.004223	0.082044	0.009568	0.011396	}	1	0.016268	0.001749	0.008077	0.068013	1	}	0.005600	0.011620	0.000300	(75%) Acre-Feet Unit Frac
0.003504	0.009550	0.003961	0.073869	0.011259	0.010912	0.000191	0.000096	0.015376	0.004380	0.007645	0.062123	0.000390	0.000096	0.005788	0.011890	0.000940	Unit Participation Unit Frac.

26	25 <b>-</b> A	25	24	23-A	23	22-A	22	21-A	21	20-A	20	19-A	19	<del>1</del> 8	17	16	15	14	Tract
NM 09003	NM 05470-C	NM 05470-C	NM 01218-A	NM 01218	NM 01218	NM 01135	NM 01135	NM 01088	NM 01088	NW 01087	NM 01087	LC 071857-B	LC 071857-B	LC 071856-C	LC 071856-B	LC 068947	LC 068882-A	LC 068882	Tract Serial
(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(HBU)	(HBP)	(HBU)	(HBP)	в (нвр)	(нвр)	в (нвр)	(HBP)	(HBP)	(HBP)	l No.
$W_{2}^{\perp}SW_{4}^{\perp}$ (13-19-31)	SEZ (14-19-31) NEZSEZ (15-19-31)	SE4 (13-19-31)	NW\$NE\$ (30-19-32)	NEŽNEŽ (30-19-32)	E含SW4 (30-19-32)	NW \$SE \$; SW \$\delta \text{NE} \text{SW} \\ \text{NE} \text{NE} \\ (33-19-32)	$NW_{\frac{1}{4}}$ (33-19-32)	$SW_{\frac{1}{4}}SE_{\frac{1}{4}}^{\frac{1}{4}}$ (17-19-32)	S\(\frac{1}{2}\)S\(\frac{1}{4}\) \((17-19-32\)	N2SE4; S2NE4 (17-19-32) NW4NE4 (17-19-32)	$N_{2}^{1}SW_{4}^{1}$ (17-19-32)	W2NE4; NE4NE4 (6-29-32)	E½NW¼ (6-19-32)	₩ <sub>2</sub> SW4 (5-19-32)	NE4 (7-19-32)	SEŽNWŽ; NEŽSWŽ (18-19-32) SEŽSWŽ (19-19-32)	SW1SW1 (30-19-32)	$NW_{\frac{1}{4}}SW_{\frac{1}{4}}^{\frac{1}{4}}$ (30-19-32)	Description
80.00	200.00	160.00	40.00	40.00	80.00	319.86	160.00	40.00	80.00	200.00	80.00	120.00	80.00	80.00	160.00	120.00	40.36	40.52	Surfa Tract
0.003834	0.009586	0.007669	0.001917	0.001917	0.003834	0.015331	0.007669	0.001917	0.003834	0.009586	0.003834	0.005752	0.003834	0.003834	0.007669	0.005752	0.001935	0.001942	(5%) Surface Acres act Unit Frac.
80.00	160.00	151.00	40.00	40.00	80.00	18.00	109.00	40.00	80.00	200.00	80.00	120.00	29.00	80.00	160.00	120.00	29.68	40.52	(20%) Productive
0.006980	0.013960	0.013175	0.003490	0.003490	0.006980	0.001571	0.009510	0.003490	0.006980	0.017450	0.006980	0.010470	0.002530	0.006980	0.013960	0.010470	0.002590	0.003536	(20%) ctive Acres Unit Frac.
3,025	4,180	2,324	1,480	2,140	2,882	84	1,681	1,830	3,320	6,025	2,660	10,450	3 1 1	2,010	1,235	2,255	639	1,783	(7 Net Ac
0.008573	0.011846	0.006586	0.004194	0.006065	0.008168	0.000238	0.004764	0.005186	0.009409	0.017075	0.007539	0.029616	0.000881	0.005697	0.003500	0.006391	0.001811	0.005053	Exhibit "C" (75%) Acre-Feet Unit Frac.
0.008018	0.012155	0.007957	0.003939	0.005343	0.007714	0.001258	0.005858	0.004683	0.008645	0.016775	0.007242	0.024594	0.001359	0.005861	0.005800	0.007175	0.001973	0.004594	Page-2 Unit Participation Unit Frac.

39-A	39	38-A	38	37	36	35	34	33	32 <b>-</b> A	32	Ųi ⊐	30	29	28	27-A	27	26-A	Tract
NM 0107697	NM 0107697	NM 057510	NM 057510	NM 055493	NM 038690	NM 036739	NM 036230	NM 036100	NM 034954	NM 034954	NM 032240	NM 024779-A	NM 025566	NM 016497	NM 09003-C	NM 09003-C	NM 09003	Tract Serial
(HBP)	(HBP)	(HBP)	(HBP)	(11-1-81)	(HBP)	(HBP)	(HBU)	(HBU)	(HBP)	(HBP)	(HBP)	A (HBU)	(HBU)	(HBU)	(HBP)	(HBP)	(HBP)	al No.
$S_{\overline{2}}^{\perp}NW_{\overline{4}}^{\perp}$ (23-19-31)	SW4 (23-19-31) NE4SW4 (25-19-31) NE4; N2SW4; SW4SW4 (26-19-31)	Wanea; Neanwa; Neaswa (10-19-31)	$W_{2}^{1}NW_{4}^{1}$ (11-19-31)	$SE_{4}^{\frac{1}{4}}$ (10-19-31)	$S_{2}^{+}SW_{4}^{-}$ (Lot 4)(18-19-32) $NW_{4}^{+}SW_{4}^{-}$ (Lot 3)(18-19-32)	$SW_{4}^{\frac{1}{4}}$ (11-19-31)	$\frac{N_{\rm c}^{2}NE_{4}^{2}}{NE_{4}^{2}SE_{4}^{2}}$ (11-19-31)	$NW_{\frac{1}{4}}^{\frac{1}{4}}$ (17-19-32)	$SE_4^2NW_4^2$ (10-10-31)	$E_{2}^{\frac{1}{2}}NW_{4}^{\frac{1}{4}}$ (11–19–31)	SE4 (28-19-31)	$SE_{4}^{1}SE_{4}^{1}$ (7-19-32)	$\mathbb{E}_{2}^{1} (19-19-32)$	$N_{2}^{1}NW_{4}^{1}$ (Lot 1)(19-19-32)	$N_{2}^{1}NE_{4}^{2}; SE_{4}^{1}NE_{4}^{1} (15-19-31)$	$N_{2}^{\perp}NE_{4}^{\perp}$ (14-19-31)	$NE_{4}^{\frac{1}{4}}NW_{4}^{\frac{1}{4}}$ (23–19–31)	Description
80.00	760.00	160.00	80.00	160.00	121.63	160.00	120.00	160.00	40.00	80.00	160.00	40.00	320.00	80.83	120.00	80.00	40.00	Surfa Tract
0.003834	0.036427	0.007669	0.003834.	0.007669	0.005830	0.007669	0.005752	0.007669	0.001917	0.003834	0.007669	0.001917	0.015338	0.003874	0.005752	0.003834	0.001917	(5%) Surface Acres act Unit Frac.
80.00	384.50	<u> </u>	80.00	14.00	121.63	. 157.00	80.00	160.00	!	80.00	160.00	39.00	320.00	80.83		80.00	27.00	(20%) Productive
0.006980	0.033548		0.006980	0.001222	0.010612	0.013699	0.006980	0.013960	<u> </u>	0.006980	0.013960	0.003403	0.027921	0.007053	1	0.006980	0.002356	(20%) tive Acres Unit Frac.
2,920	11,769		1,001	40	3,024	1,905	740	4,140	-	1,435	4,780	228	12,660	2,661	!	941	705	Net A
0.008276	0.033354		0.002837	0.000113	0.008570	0.005399	0.002097	0.011733	!!	0.004067	0.013547	0.000646	0.035879	0.007541	1	0.002667	0.001998	Exhibit "C" (75%) Acre-Feet Frac.
0.007795	0.033546	0.000383	0.003716	0.000712	0.008840	0.007172	0.003257	0.011975	0.000096	0.004638	0.013335	0.001261	0.033260	0.007261	0.000288	0.003588	0.002065	Page-3 Unit Participation Unit Frac.

46	45	44-B	44-A	44	43	42	41	40-A	40	39-I	39-H	39-G	39-H	39-E	39-D	39-C	39-B	Tract
NM 0309376 (HBP)	NM 0299646 (HBP)	NM 0175774 (HBP)	NM 0175774 (HBP)	NM 0175774 (HBP)	NM 0175771 (HBP)	NM 0149956 (HBP)	NM 0107698-A(HBP)	NM 0107698 (HBP)	NM 0107698 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	NM 0107697 (HBP)	Tract Serial No. (Exp. Date)
$W_{2}^{1}NW_{4}^{1}$ (6-19-32)	N출 (27-19-31)	SWINEI; WISEI (21-19-32) WINEI (28-19-32)	SZNW4 (21-19-32)	$SW_{\frac{1}{4}}^{\frac{1}{4}}$ (21-19-32) $NW_{\frac{1}{4}}^{\frac{1}{4}}$ (28-19-32)	SW\(\frac{1}{4}\)SW\(\frac{1}{4}\) (14-19-31)	$NW_{\frac{1}{4}}SW_{\frac{1}{4}}$ (Lot 3)(19-19-32)	SW1NE1 (30-19-32)	$SE_{\frac{1}{4}}NE_{\frac{1}{4}}^{\frac{1}{4}}$ (30-19-32)	E½NW¼ (30-19-32)	$NE_{\frac{1}{4}}^{1}SW_{\frac{1}{4}}^{1}$ (24–19–31)	$SE_{\frac{1}{4}NW_{\frac{1}{4}}}^{\frac{1}{4}}$ (24-19-31)	W <sub>2</sub> NW <sub>4</sub> (30-19-32)	Wared (24-19-31)	NE4 (23-19-31)	Nanta; Swanwa (23-19-31)	S\(\frac{1}{2}\)SW\(\frac{1}{4}\); NW\(\frac{1}{4}\)SW\(\frac{1}{4}\) (24-19-31)	SE (23-19-31) NW ; SE (25-19-31) NW ; NSE (26-19-31)	Description
82.67	320.00	200.00	80.00	320.00	40.00	40.88	40.00	40.00	80.00	40.00	40.00	81.52	80.00	160.00	120.00	120.00	720.00	Surf:
0.003962	0.015338	0.009586	0.003834	0.015338	0.001917	0.001959	0.001917	0.001917	0.003834	0.001917	0.001917	0.003907	0.003834	0.007669	0.005752	0.005752	0.034509	(5%) face Acres Unit Frac.
	202.50	95.00	49.00	295.00	4.00	40.88	40.00	40.00	80.00	40.00	40.00	81.52	80.00	160.00	120.00	120.00	455.50	Product
1	0.017668	0.008289	0.004275	0.025739	0.000349	0.003567	0.003490	0.003490	0.006980	0.003490	0.003490	0.007113	0.006980	0.013960	0.010470	0.010470	0.039743	(20%) Productive Acres cact Unit Frac.
}	1,342	3,370	936	12,305	12	1,104	1,700	1,620	2,220	2,780	3,650	2,304	2,410	23,000	13,150	8,620	20,855	Net Tract
1	0.003803	0.009551	0.002653	0.034873	0.000034	0.003129	0.004818	0.004591	0.006292	0.007879	0.010345	0.006529	0.006830	0.065184	0.037268	0.024430	0.059150	Exhibit "C" (75%) Acre-Feet Unit Frac.
0.000198	0.007153	0.009300	0.003037	0.032070	0.000192	0.003158	0.004408	0.004237	0.006307	0.006703	0.008553	0.006515	0.006710	0.052063	0.030332	0.020704	0.054003	Page-4 Unit Participation Unit Frac.

																				*
63	62	61	60	59	58	57	56	55	54	53	52	5	50	49-B	49-A	49	48	47	46-A	Tract
NM 10468	NM 10279	NM 9561	NM 9559	NM 9217	NM 7823	NM 4311	NM 4310	NM 3620	NM 0556833	NM 0557149	NM 0557148	NM 0554775	NM 0519569	NM 0319697	NM 0319697	NM 0319697	NM 0309377-A(HBP)	NM 0309377	NN 0309376	Tract Serial (Exp. Date)
(10-1-79)	(10-1-79)	(7-1-79)	(6-1-79)	(4-1-79)	(11-1-78)	(2-1-78)	(2-1-78)	(11-1-77)	(9-1-75)	(6-1-75)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	(HBP)	A(HBP)	(HBP)	(HBP)	l No.
NELNWL (31-18-32)	S½SW½; NW½SW½ (12-19-31)	$NW_{\frac{1}{4}}^{\frac{1}{4}}NW_{\frac{1}{4}}^{\frac{1}{4}}$ (Lot 4)(4-20-32)	$S_{2}^{1}SW_{4}^{1}; SE_{4}^{1}NW_{4}^{1} (12-19-31)$	$NW_{\frac{1}{4}}^{\frac{1}{4}}NW_{\frac{1}{4}}^{\frac{1}{4}}$ (12-19-31)	N½NW½; SW½NW¼ (31-19-32) N½SW¼; SE¼SW¼; SW¼SE¼ (31-19-32)	SE4SE4 (17-19-32)	NE4NE4 (17-19-32)	SE4NE4; SW4; SZSE4 (1-19-31)	NE4SW4; NW4NE4 (5-20-32)	$NW_{\frac{1}{4}}SW_{\frac{1}{4}}^{\frac{1}{4}} (4-19-32)$	S½NE4 (14-19-31)	$N_{2}^{1}SW_{4}^{1}; SE_{4}^{1}SW_{4}^{1} (14-19-31)$	E½SW¼ (5-19-32)	W2NW4 (5-19-32)	$NE_{4}^{1}SE_{4}^{1}$ (6-19-32)	$SE_{4}^{1}NE_{4}^{1}$ (6-19-32)	NE4SW4 (13-19-31)	SE4SW4 (13-19-31)	S\(\frac{1}{2}\)S\(\frac{1}{4}\); NW\(\frac{1}{4}\)SE\(\frac{1}{4}\) (6-19-32)	Description
40.00	120.00	40.01	120.00	40.00	280.99	40.00	40.00	280.00	79.90	40.00	80.00	120.00	80.00	80.00	40.00	40.00	40.00	40.00	120.00	(5 Surfac Tract
0.001917	0.005752	0.001918	0.005752	0.001917	0.013468	0.001917	0.001917	0.013420	0.003830	0.001917	0.003834	0.005752	0.003834	0.003834	0.001917	0.001917	0.001917	0.001917	0.005752	(5%) Surface Acres act Unit Frac.
	21.00	!	20.00	14.00	23.00	40.00	12.00			1	80.00	95.00	77.00	73.00	40.00	40.00	40.00	40.00	120.00	(2 Product
1	0.001832	}	0.001745	0.001222	0.002007	0.003490	0.001047	1		-	0.006980	0.008289	0.006718	0.006369	0.003490	0.003490	0.003490	0.003490	0.010470	(20%) Productive Acres Pact Unit Frac.
	42	1	50	33 ·	280	1,820	64				1,385	980	794	1,780	2,100	2,900	710	1,350	4,450	Net A
-	0.000119	!	0.000142	0.000094	0.000794	0.005158	0.000181		1	-	0.003925	0.002777	0.002250	0.005045	0.005952	0.008219	0.002012	0.003826	0.012612	Exhibit "C" (75%) Acre-Feet Unit Frac.
0.000096	0.000743	0.000096	0.000743	0.000410	0.001669	0.004662	0.000441	0.000671	0.000191	0.000096	0.004532	0.004029	0.003224	0.005250	0.005258	0.006958	0.002303	0.003664	0.011841	Page-5 Unit Participation Unit Frac.

81	80	79	78	77	76	75	74	73	72	71	70	69	68	67	66	65	64	Tract
KGS	KGS	KGS	KGS	NM 019854	NM 019442	NM 19198	NM 18629	NM 17435	NM 17433	NM 17230	NM 16823	NM 14931	NM 14151	NM 13422	NM 12412	NM 12356	NM 10469	Tract Serial
				(12-31-83)	(10-31-83)	(7-1-83)	(7-1-83)	(7-1-83)	(2-1-83)	(HBP)	(1-1-83)	(1-1-77)	(8-1-81)	(4-1-81)	(11-1-80)	(12-1-77)	(11-1-79)	rial No. Date)
$100 \text{ NW} \frac{1}{4} (14-19-31)$	NW4; N2NE4; SE4NE4 (13-19-31)	표출 (12-19-31)	S\(\frac{1}{2}\) \(\text{NE}\frac{1}{4}\); \(\text{SE}\frac{1}{4}\) \((11-19-31)\)	$NW_{\frac{1}{4}}$ (33–19–31)	Naswa; Seąswą (33-19-31)	NW4SE4 (15-19-31)	W\(\frac{1}{2}\) (5-19-32)	ND NE NE (31-18-32) SE NE (5-19-32)	NE4SW4 (12-19-31)	W글SW글 (22-19-31) SE글NE글 (28-19-31)	$NW_{\frac{1}{4}}^{\frac{1}{4}}NE_{\frac{1}{4}}^{\frac{1}{4}}$ (6-20-32)	$\frac{1}{8}SW_{4}^{\frac{1}{2}}(22-19-32)$ $\frac{1}{1}$	SW4NE4 (15-19-31)	SE \$\LE \ E \ SE \ (8-19-32) NW \$\LE NW \ \$\LE SW \ (9-19-32)	N\(\frac{1}{2}\)SW\(\frac{1}{4}\); NW\(\frac{1}{4}\)SE\(\frac{1}{4}\); S\(\frac{1}{2}\)SE\(\frac{1}{4}\); NW\(\frac{1}{4}\)SE\(\frac{1}{4}\); NW\(\frac{1}{4}\)SE\(\frac{1}{4}\); SW\(\frac{1}{4}\)(27-19-32)	NW\(\frac{1}{4}\)NW\(\frac{1}{4}\); NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\frac{1}\)NE\(\frac{1}{4}\)NE\(\frac{1}{4}\)NE\(\fr	$SE_{4}^{\frac{1}{4}NW_{4}^{\frac{1}{4}}}$ (31–19–32)	Description
160.00	280.00	320.00	240.00	160.00	120.00	40.00	80.00	120.00	40.00	120.00	39.94	240.00	40.00	200.00	520.00	119.81	40.00	Surf Tract
0.007669	0.013420	0.015338	0.011503	0.007669	0.005752	0.001917	0.003834	0.005752	0.001917	0.005752	0.001914	0.011503	0.001917	0.009586	0.024924	0.005743	0.001917	(5%) urface Acres t Unit Frac.
118.00	98.00	41.00	240.00	22.00		! !			!	40.00	# ea -	129.00	!	-			3.00	(20%) Productive Tract U
0.010296	0.008551	0.003577	0.020940	0.001920	1 1 1	‡ † †		}	!	0.003490		0.011256	!			!	0.000262	(20%) ctive Acres Unit Frac.
1,217	594	207	2,470	86	! !					450		1,313		!		!!!	15	Net A
0.003449	0.001683	0.000587	0.007000	0.000244	!	1		!		0.001275	-	0.003721	!	ļ	-		0.000043	Exhibit "C" (75%) Acre-Feet Unit Frac.
0.005029	0.003643	0.001922	0.010013	0.000950	0.000288	0.00096	0.000192	0.000288	0.000096	0.001942	0.000096	0.005617	0.000096	0.000479	0.001246	0.000287	0.000180	Page-6 Unit Participation Unit Frac.

99	98	97	96	95	STATE	123	94	93	92	91	90	89	88	87	86	85	84	83	82	Tract
E-9721	E-7345-2	E-6018-3	E-6017-3	B-1482-1	LAND	FEDERAL TRACTS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	KGS	Tract Serial (Exp. Date
(HBP)	(HBP)	(HBP)	(HBP)	(HBP)		ACTS														al No.
SPNE (32-19-32)	NEŽNEŽ (32-19-31)	Shet; Setnwt (2-19-31)	SWZNWZ (2-19-31)	Nanta (32-19-32)			NE4; N2SE4; SE4SE4 (31-19-32)	SE4 (30-19-32)	$NE\frac{1}{4}$ ; $N\frac{1}{2}NW\frac{1}{4}$ ; $SW\frac{1}{4}NW\frac{1}{4}$ (Lots 1 & 2) (18-19-32)	Wa; WaEa; NEINEI (8-19-32)	$W_{2}^{\perp}$ ; $N_{2}^{\perp}SE_{4}^{\perp}$ ; $SW_{4}^{\perp}SE_{4}^{\perp}$ (7-19-32) (Lots 1, 2, 3, and 4)	$SW_{\frac{1}{4}}^{\frac{1}{4}}$ (6-19-32)	EżNW4; SE4 (5-19-32)	SW4SW4 (4-19-32)	SE4SE4 (3-19-31)	S\(\frac{1}{2}\) \(\text{SE}\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	$NW_{4}^{2}NW_{4}^{2}$ (23-19-31)	E½; E½SW¼; SE¼NW¼ (22-19-31)	$S_{2}^{1}SE_{4}^{1}$ (15–19–31)	Description
80.00	40.00	120.00	40.00	80.00		18,581.60	281.03	160.00	281.61	520.00	443.40	162.09	240.00	40.00	40.00	280.00	40.00	440.00	80.00	Surf:
0.03834	0.001917	0.005752	0.001917	0.003834		0.890611	0.013470	0.007669	0.013498	0.024924	0.021252	0.007769	0.011503	0.001917	0.001917	0.013420	0.001917	0.021089	0.003834	(5%) Swrface Acres
80.00	!		-	80.00		10,647.12	187.00	160.00	201.00	321.00	219.29	38.00	34.00	!	!	158.50	11.00	150.00	     	
0.006980	-	!	-	0.006980		0.928977	0.016316	0.013960	0.017538	0.028008	0.019133	0.003316	0.002967	 	† 4	0.013829	0.000960	0.013088		(20%) Productive Acres eact Unit Frac.
2,795		!		3,765		333,941	3,383	3,930	4,229	3,736	952	251	117	1	! ! !	8,501	2	1,206	  - 	Net A
0.007921	!	! !	!	0.010670		0.946416	0.009588	0.011138	0.011985	0.010588	0.002698	0.000711	0.000332	!	!	0.024093	0.000145	0.003418	† 1	Exhibit "C" (75%) Acre-Feet Unit Frac.
0.007529	0.000096	0.000287	0.000096	0.009591		0.940136	0.011127	0.011529	0.013172	0.014789	0.006913	0.001584	0.001417	0.000096	0.000096	0.021507	0.000397	0.006236	0.000192	Page-7 Unit Participation Unit Frac.

	15	108	107	106	105	104	103	102	101	100	99-A	Tract
TOTAL	STATE TRACTS	LG-1044	LG-0605	LG-0604	L-6863	L-3778	K-4989	K-4658	K-4331	LG-1477	E-9721	Tract Serial No. (Exp. Date)
	TS	(2-1-83)	(9-1-82)	(12-1-82)	(1-1-82)	(11-18-79)	(5-18-75)	(1-19-75)	(8-18-74)	(1-1-84)	(HBP)	tal No. Date)
		$SW_{\frac{1}{4}}$ ; $W_{\frac{1}{2}}^{\frac{1}{2}}SE_{\frac{1}{4}}^{\frac{1}{4}}$ (32–18–32)	$SW_{\frac{1}{4}}$ ; $W_{\frac{1}{2}}SE_{\frac{1}{4}}$ (16-19-32)	$NW_{\frac{1}{4}}$ ; $SW_{\frac{1}{4}}NE_{\frac{1}{4}}^{\frac{1}{4}}$ (16-19-32)	NE4; NE4NW4 (36-19-31)	$(11-18-79)$ NW $\frac{1}{4}$ $(32-18-32)$	$(5-18-75)$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ $(13-19-31)$	$SE_{4}^{\frac{1}{4}}$ (2-19-31)	$SW_{\frac{1}{4}}^{\frac{1}{4}}(2-19-31)$	SW\(\frac{1}{4}\)SE\(\frac{1}{4}\)	s <del>1</del> ; IW4 (32-19-32)	Description
20,863,88	2,282.28	240.00	240.00	200.00	200.00	160.00	40.00	160.00	160.00	40.00	482.28	Surf
1.000000	0.109389	0.011503	0.011503	0.009586	0.009586	0.007669	0.001917	0.007669	0.007669	0.001917	0.023116	(5%) ace Acres Unit Frac.
11,461.12	814.00	59.00	90.00	27.00	- -	4.00	Į Į	63.00	53.00	! !	358.00	(; Produc Tract
1.000000	0.071023	0.005148	0.007853	0.002356	1 1	0.000349	!	0.005497	0.004624	1	0.031236	(20%) Productive Acres Pact Unit Frac.
352,848	18,907	1,352	2,276	309	!	20		259	256	† !	7,875	Net /Tract
1.000000	0.053584	0.003832	0.006450	0.000876	<u> </u>	0.000057		0.000734	0.000726	1	0.022318	Exhibit "C" (75%) Acre-Feet Unit Frac.
1.000000	0.059864	0.004479	0.006984	0.001607	0.000479	0.000496	0.000096	0.002033	0.001853	0.000096	0.024142	Page-8 Unit Participation Unit Fra.