

UNIT OPERATING AGREEMENT

For the Development and Operation of the
WEST SQUARE LAKE UNIT AREA
County of Eddy, State of New Mexico

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Exhibit D: Schedule showing Working Interest
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 Unit Operations

J. CLEO THOMPSON AND
JAMES CLEO THOMPSON, JR.
Case No. 7945
10/12/83 Examiner Hearing
Exhibit No. 3

UNIT OPERATING AGREEMENT

WEST SQUARE LAKE UNIT

EDDY COUNTY, NEW MEXICO

THIS AGREEMENT made and entered into as of the _____ day of _____, 1983, by and between the undersigned owners of certain oil, gas, and mineral leases or other operating rights covering lands in West Square Lake Unit, Eddy County, New Mexico and all other parties who subsequently ratify this agreement.

WITNESSETH:

WHEREAS, the parties hereto as Working Interest Owners have executed and delivered as of the date hereof that certain "Unit Agreement" (hereinafter referred to as "Unit Agreement"); and,

WHEREAS, said Unit Agreement provides, among other things, for a separate agreement to be made and entered into by and between Working Interest Owners, covering certain matters and things pertaining to the development and operation of the Unit Area referred to in said Unit Agreement; and,

WHEREAS, J. Cleo Thompson and James Cleo Thompson, Jr., A Partnership, hereinafter is designated and sometimes referred to as "Unit Operator", and the remaining Working Interest Owners hereinafter and in Exhibit "D" attached hereto sometimes are collectively referred to as "Non-Operators";

NOW, THEREFORE, in consideration of the premises and of the mutual promises and covenants hereinafter set forth to be performed and kept by the parties hereto, it is hereby stipulated and agreed by and between the parties hereto as follows:

ARTICLE 1

UNIT AGREEMENT

1.1 Unit Agreement Confirmed. The Unit Agreement and all

exhibits attached thereto or any revisions thereof are hereby confirmed and incorporated herein by reference and made a part of this agreement. The definitions in the Unit Agreement are adopted for all purposes of this agreement. In the event of any conflict between the provisions of said Unit Agreement and this agreement, the provisions of said Unit Agreement shall prevail.

ARTICLE 2

EXHIBITS

2.1 Unit Agreement Exhibits Adopted and Exhibits "D", "E", and "F" Added. In addition to Exhibits "A", "B", and "C" attached to the Unit Agreement and adopted herein by reference, the following exhibits are attached hereto and made a part hereof for all purposes:

2.1.1 Exhibit "D" is a schedule showing Working Interest of each Working Interest Owner in each Tract, the percentage of Tract Participation attributable to each such interest, and the total Unit Participation of each Working Interest Owner. Exhibit "D", or a revision thereof, shall not be conclusive as to the information therein, except it may be used as showing the Unit Participations of the Working Interest Owners for purposes of this agreement until shown to be in error or is revised as herein authorized.

2.1.2 Exhibit "E" is the Accounting Procedure applicable to development and operation of the Unit Area. In the event of conflict between this agreement and Exhibit "E", this agreement shall prevail.

2.1.3 Exhibit "F" is a schedule containing insurance provisions applicable to Unit Operations.

2.2 Revision of Exhibits. Whenever Exhibits "A", "B", and "C" are revised, this agreement shall be revised accordingly and be effective as of the same date. Unit Operator shall also revise Exhibit "D" from time to time as required to conform to changes in ownership of which Unit Operator has been notified as provided in the Unit Agreement.

ARTICLE 3

SUPERVISION OF OPERATIONS BY WORKING INTEREST OWNERS

3.1 Overall Supervision. Working Interest Owners shall exercise overall supervision and control of all matters pertaining to Unit Operations pursuant to this agreement and the Unit Agreement. In the exercise of such authority, each Working Interest Owner shall act solely in its own behalf in the capacity of an individual owner and not on behalf of the owners of an entirety.

3.2 Specific Authorities and Duties. The matters with respect to which the Working Interest Owners shall decide and take action shall include, but not be limited to, the following:

3.2.1 Method of Operation. The method of operation, including any type of pressure maintenance, secondary recovery, or other recovery program to be employed.

3.2.2 Drilling of Wells. The drilling of any well whether for production of Unitized Substances, for use as an injection well, or for other purposes.

3.2.3 Abandonment and Change of Status. The recompletion, abandonment, or change of

status of any well or the use of any well for injection or other purposes.

3.2.4 Expenditures. The making of any single expenditure in excess of Twenty-Five Thousand Dollars (\$25,000.00); provided that approval by the Working Interest Owners of the drilling of any well shall always be required without regard to the amount of the expenditures; and further provided, however, that in case of emergency, Unit Operator is authorized to make such expenditures as may be immediately necessary for the protection of life or property, but prompt notice of such emergency shall be given to Working Interest Owners. The approval of the drilling of any wells shall, however, include approval of all necessary expenditures required therefor and for completing, testing, and equipping the same, including necessary flow lines, separators, and lease tankage.

3.2.5 Disposition of Unit Equipment. The Unit Operator shall have the right to sell or otherwise dispose of any item of surplus Unit Equipment provided.

3.2.6 Appearance Before a Court or Regulatory Agency. The designating of a representative for Working Interest Owners to appear

before any court or regulatory body in matters pertaining to Unit Operations; provided, however, that the authorization by the Working Interest Owners of the designation of any such representative shall not prevent any Working Interest Owner, at his own expense, from appearing in person or from designating another representative in its own behalf.

3.2.7 Audits. The auditing of the accounts of Unit Operator pertaining to Unit Operations hereunder; provided that the audits shall:

(a) not be conducted more than once each year except upon the resignation or removal of Unit Operator,

(b) be made at the expense of all Working Interest Owners other than the Working Interest Owner designated as Unit Operator,

(c) be made upon not less than thirty (30) days written notice to Unit Operator, and

(d) be conducted in accordance with the Accounting Procedure, Exhibit "E", attached hereto and made a part hereof.

3.2.8 Inventories. The taking of periodic inventories under the terms of Exhibit "E".

3.2.9 Technical Services. The authorizing of charges to the joint account for services by consultants or Unit Operator's technical personnel not covered by the overhead which is provided by Exhibit "E".

ARTICLE 4

MANNER OF EXERCISING SUPERVISION

4.1 Designation of Representatives. Within thirty (30) days after the effective date hereof, each Working Interest Owner shall in writing inform Unit Operator of the names and addresses of the representative and alternate who are authorized to represent and bind such Working Interest Owner with respect to Unit Operations. The representative or alternate may be changed from time to time by written notice to the Unit Operator.

4.2 Meetings. All meetings of Working Interest Owners shall be called by Unit Operator upon its own motion or at the request of one or more Working Interest Owners having a total voting interest of not less than ten percent (10%). No meeting shall be called on less than fourteen (14) days advance written notice, with agenda for the meeting attached. Working Interest Owners who attend the meeting shall not be prevented from amending items included in the agenda or from deciding the amended item or other items presented at the meeting. The representative of Unit Operator shall be chairman of each meeting.

4.3 Voting Procedure. Working Interest Owners shall decide all matters coming before them as follows:

4.3.1 Voting Interest. Each Working Interest Owner shall have a voting interest equal to its Unit Participation as shown on Exhibit "D".

4.3.2 Vote Required. Unless otherwise provided herein or in the Unit Agreement, Working Interest Owners shall act upon

and determine all matters coming before them by the affirmative vote of Working Interest Owners having a combined voting interest of at least seventy-five percent (75%).

4.3.3 Vote at Meeting by Nonattending Working Interest Owner. Any Working Interest Owner who is not represented at a meeting may vote by letter or telegram addressed to the representative of the Unit Operator if its vote is received prior to the vote on the item.

4.3.4 Poll Votes. Working Interest Owners may vote on and decide, by letter or telegram, any matter submitted in writing to Working Interest Owners, if no meeting is requested, as provided in Section 4.2, within fourteen (14) days after the proposal is sent to Working Interest Owners. Unit Operator will give prompt notice of the results of the voting to all Working Interest Owners.

ARTICLE 5

INDIVIDUAL RIGHTS OF WORKING INTEREST OWNERS

5.1 Reservation of Rights. Working Interest Owners severally reserve to themselves all their rights, except as otherwise provided in this agreement and the Unit Agreement.

5.2 Specific Rights. Each Working Interest Owner shall have, among others, the following specific rights:

5.2.1 Access to Unit Area. Access to the Unit Area at all reasonable times to inspect Unit Operations, all wells, and the records and data pertaining thereto.

5.2.2 Reports. The right to receive from Unit Operator, upon written request, copies of all reports to any governmental agency, reports of crude oil runs and stocks, inventory reports, and all other information pertaining to Unit Operations. The cost of gathering and furnishing information not ordinarily furnished by Unit Operator to all Working Interest Owners shall be charged to the Working Interest Owner who requests the information.

ARTICLE 6

UNIT OPERATOR

6.1 Initial Unit Operator. J. Cleo Thompson and James Cleo Thompson, Jr., A Partnership, is hereby designated as initial Unit Operator.

6.2 Resignation or Removal. The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by an affirmative vote of the Working Interest Owners of at least ninety percent (90%) of the voting interest remaining after excluding the voting interest of the Unit Operator. Such removal shall be effective upon notice thereof to the Director. In all such instances of resignation or removal, until a successor Unit Operator is selected and accepted as hereinafter provided, the Working Interest Owners shall be jointly responsible for performance of the duties of Unit Operator, but shall, not later than thirty (30) days before such resignation or removal becomes effective, appoint a common agent to represent them in any action to be taken hereunder.

6.3 Selection of Successor. Whenever the Unit Operator shall tender his or its resignation as Unit Operator, or shall be removed as hereinabove provided, or a change of Unit Operator is negotiated by Working Interest Owners, a successor Unit Operator shall be selected by Working Interest Owners voting according to their respective Tract Participation in all unitized land by a majority vote; provided, however, that if a majority, but less than seventy-five percent (75%) of the Working Interests qualified to vote, are owned by one party to this agreement, a concurring vote of one or more additional Working Interest Owners shall be required to select a new Unit Operator. Such selection shall not become effective until:

(a) A Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator; and

(b) The selection shall have been approved by the Deputy.

ARTICLE 7

AUTHORITIES AND DUTIES OF UNIT OPERATOR

7.1 Exclusive Right to Operate Unit. Subject to the provisions of this agreement and to instructions from Working Interest Owners, Unit Operator shall have the exclusive right and be obligated to conduct Unit Operations.

7.2 Workmanlike Conduct. Unit Operator shall conduct Unit Operations in a good and workmanlike manner as would a prudent operator under the same or similar circumstances. Unit Operator shall freely consult with Working Interest Owners and keep them informed of all matters which Unit Operator, in the exercise of its best judgment, considers important. Unit Operator shall not be liable to Working Interest Owners for damages, unless such damages result from its gross negligence or willful misconduct.

7.3 Liens and Encumbrances. Unit Operator shall endeavor to keep the lands and leases in the Unit Area free from all liens and encumbrances occasioned by Unit Operations, except the lien of Unit Operator granted hereunder.

7.4 Employees. The number of employees used by Unit Operator in conducting Unit Operations, their selection, hours of labor, and compensation shall be determined by Unit Operator. Such employees shall be the employees of Unit Operator.

7.5 Records. Unit Operator shall keep correct books,

accounts, and records of Unit Operations.

7.6 Reports to Working Interest Owners. Unit Operator shall furnish to Working Interest Owners periodic reports of Unit Operations as prescribed by Working Interest Owners.

7.7 Reports to Governmental Authorities. Unit Operator shall make all reports to governmental authorities that it has the duty to make as Unit Operator.

7.8 Engineering and Geological Information. Unit Operator shall furnish to a Working Interest Owner, upon written request, a copy of the log and other engineering and geological data pertaining to wells drilled for Unit Operations.

7.9 Expenditures. Unit Operator is authorized to make single expenditures not in excess of Twenty-Five Thousand Dollars (\$25,000.00) without prior approval of Working Interest Owners. If an emergency occurs, Unit Operator may immediately make or incur such expenditures as, in its opinion, are required to deal with the emergency. Unit Operator shall report to Working Interest Owners, as promptly as possible, the nature of the emergency and the action taken.

7.10 Wells Drilled by Unit Operator. All wells drilled by Unit Operator shall be at the usual rates prevailing in the area. Unit Operator may employ its own tools and equipment, but the charge therefor shall not exceed the prevailing rate in the area, and the work shall be performed by Unit Operator under the same terms and conditions as are usual in the area in contracts of independent contractors doing work of a similar nature.

7.11 Border Agreements. The Unit Operator, with the approval of a majority of the Working Interest Owners, may enter into a border protection agreement or agreements with Working Interest Owners of the adjacent lands along the exterior boundary of the Unit Area with respect to any cooperative operations in the border area for the proper protection of the parties and interests.

ARTICLE 8

TAXES

8.1 Ad Valorem Taxes. Beginning with the first calendar year after the effective date hereof, Unit Operator shall make and file all necessary ad valorem tax renditions and returns with the

proper taxing authorities covering all real and personal property of each Working Interest Owner used or held by Unit Operator in Unit Operations. Unit Operator shall settle assessments arising therefrom. All such ad valorem taxes shall be paid by Unit Operator and charged to the joint account; provided that, if the interest of a Working Interest Owner is subject to a separately assessed overriding royalty interest, production payment, or other interest in excess of a one-eighth (1/8th) royalty, such Working Interest Owner shall be given credit for the reduction in taxes paid resulting therefrom.

8.2 Other Taxes. Each Working Interest Owner shall pay or cause to be paid all production, severance, gathering, and other taxes imposed upon or in respect of the production or handling of its share of Unitized Substances.

ARTICLE 9

INSURANCE

9.1 Insurance. Unit Operator, with respect to Unit Operations, and as a charge to the joint account shall:

9.1.1 Comply with the Workmen's Compensation Law of the State of New Mexico.

9.1.2 Carry Employer's Liability and other insurance as required by the laws of the State of New Mexico.

9.1.3 Carry other insurance as set forth in Exhibit "F".

ARTICLE 10

ADJUSTMENT OF INVESTMENTS

10.1 Personal Property Taken Over. Upon the effective date hereof, Working Interest Owners shall deliver to Unit Operator the following:

10.1.1 Wells and Casing. All wells completed in the

Unitized Formation, together with the casing therein.

10.1.2 Well and Lease Equipment. The casing and tubing in each such well, the wellhead connections thereon, and all other lease and operating equipment that is used in the operation of such wells which Working Interest Owners determine is necessary or desirable for conducting Unit Operations. Working Interest Owner shall have eight (8) months after the effective date in which to make such determination, and all of such property that is determined to be surplus shall be returned in the same condition less usual depreciation by use to the Working Interest Owners who delivered same to Unit Operator and such surplus property shall not be considered to have been taken over under this agreement.

10.1.3 Records. A copy of all production and well records that pertain to such wells.

10.2 Inventory and Evaluation of Personal Property. The Working Interest Owners shall appoint an inventory committee which shall, as of the effective date hereof or as soon thereafter as feasible, cause to be taken under the supervision of the Unit Operator at Unit Expense, joint physical inventories of lease and well equipment within the Unit Area, which inventories shall be used as a basis for determining the controllable items of equipment to be taken over by the Unit Operator hereunder. The Unit Operator shall notify each Working Interest Owner within each separate Tract at least five (5) days prior to the taking of inventory with respect to said Tract, so that each of the said Working Interest Owners may make arrangements

to be represented at the taking of this inventory. Such inventories shall include and be limited to those items of equipment normally considered controllable by operators of oil and gas properties, except that certain items of equipment normally considered noncontrollable, such as sucker rods, Kobe tubing of sizes less than two inches (2"), and other items as determined by the Working Interest Owners may be included in the inventories in order to insure a more equitable adjustment of investment. All other noncontrollable items of lease and well equipment installed within the Unit area, although excluded from the inventories, which the Working Interest Owners decide are necessary and usable in Unit Operations, shall nevertheless be taken over by the Unit Operator. Immediately following completion, such inventories covering equipment taken over by the Unit Operator under Subsection 10.1.2 and retained for Unit Operations, shall be priced in accordance with the provisions of Exhibit "E", Accounting Procedure, attached hereto and made a part hereof, or at an appraised value as determined by Working Interest Owners; such pricing shall be performed under the supervision of, by the personnel of, and in the offices of the Unit Operator, with other Working Interest Owners furnishing such additional pricing help as may be available and necessary. Casing shall be included in the inventory for record purposes, but shall be excluded from pricing and investment adjustment.

10.3 Investment Adjustment. Upon approval by Working Interest Owners of the inventory and evaluation, each Working Interest Owner shall be credited with the value of its interest in all personal property taken over under Section 10.1.2, and shall be charged with an amount equal to that obtained by multiplying the total value of all personal property taken over under Section 10.1.2 by such Working Interest Owner's Unit Participation. If the charge against any Working Interest Owner is greater than the amount credited to such Working Interest Owner, the resulting net charge shall be an item of Unit Expense chargeable against such Working Interest Owner. If the credit to any Working Interest Owner is greater than the amount charged against such Working Interest Owner, the resulting net credit shall be paid to such Working Interest Owner by Unit Operator out of funds received by it in settlement of the net charges described above.

10.4 General Facilities. The acquisition of warehouses, warehouse stocks, lease houses, camps, facility systems, water wells, and office buildings necessary for Unit Operations shall be, by negotiation by the owners thereof and Unit Operator, subject to the approval of Working Interest Owners. No adjustment shall be made for lease roads.

10.5 Ownership of Personal Property and Facilities. Each

Working Interest Owner, individually, shall by virtue hereof own an undivided interest, equal to its Unit Participation in all personal property and facilities taken over or otherwise acquired by Unit Operator pursuant to this agreement.

10.6 Personal Property Not Retained for Unit Operations. Lease and well equipment not taken over and retained by Unit Operator for Unit Operations shall remain the property of the original owner or owners, and shall be removed from the Unit Area by such owner or owners as soon as practicable or shall be located in such a way as not to unreasonably interfere with Unit Operations.

ARTICLE 11

UNIT EXPENSE

11.1 Basis of Charge of Working Interest Owners. Unit Operator initially shall pay and discharge all costs and expenses incurred in Unit Operations. Except as hereinafter stated, Working Interest Owners shall reimburse the Unit Operator for all such costs and expenses in proportion to their respective Unit Participation in effect at the time said costs and expenses were incurred. Notwithstanding anything herein to the contrary, the cost of the equipment required for the secondary recovery injection facilities and the cost of installing same (including the conversion of wells to input status), together with the cost of replacing all such equipment, shall be borne by and said equipment owned by the Working Interest Owners in proportion to their respective Unit Participations. All charges, credits, and accounting for costs and expenses shall be in accordance with Exhibit "E".

11.2 Advance Billings. Unit Operator shall have the right to require Working Interest Owners to advance their respective share of estimated Unit Expense by submitting to Working Interest Owners, on or before the 15th day of any month, an itemized estimate thereof for the succeeding month, with a request for payment in advance. Within fifteen (15) days thereafter, each Working Interest Owner shall pay to Unit Operator its share of such estimate. Adjustments between estimated and actual Unit Expense shall be made by Unit Operator at the close of each calendar month, and the accounts of Working Interest Owners shall be adjusted accordingly. As long as J. Cleo Thompson and James Cleo Thompson, Jr., A Partnership, is Unit Operator, all payments to be made hereunder by Working Interest Owners shall be made at Unit Operator's office in Dallas, Texas.

11.3 Commingling of Funds. No funds received by Unit

Operator under this agreement need be segregated or maintained by it as a separate fund, but may be commingled with its own funds.

11.4 Lien of Unit Operator. Each Working Interest Owner grants to Unit Operator a lien upon its Oil and Gas Rights in each Tract, its share of Unitized Substances when produced, and its interest in all Unit Equipment, as security for payment of its share of Unit Expense to the full extent allowed by State and Federal statutes, together with interest thereon at the rate of eighteen percent (18%) per annum. Unit Operator shall have the right to bring suit to enforce collection of such indebtedness with or without seeking foreclosure of the lien. In addition, upon default by any Working Interest Owner in the payment of its share of Unit Expense, Unit Operator shall have the right to collect from the purchaser the proceeds from the sale of such Working Interest Owner's share of Unitized Substances until the amount owed by such Working Interest Owner, plus interest as aforesaid, has been paid. Each purchaser shall be entitled to rely upon Unit Operator's written statement concerning the amount of any default.

11.5 Unpaid Unit Expense. If any Working Interest Owner fails to pay its share of Unit Expense within sixty (60) days after rendition of a statement therefor by Unit Operator, each Working Interest Owner agrees, upon request by Unit Operator, to pay its proportionate part of the unpaid share of Unit Expense of the defaulting Working Interest Owner. The Working Interest Owners that pay the share of Unit Expense of a defaulting Working Interest Owner shall be reimbursed by the Unit Operator for the amount so paid, plus any interest collected thereon, upon receipt by Unit Operator of any past-due amount collected from the defaulting Working Interest Owner. Any Working Interest Owner so paying a defaulting Working Interest Owner's share of Unit Expenses shall be subrogated to the lien and rights herein granted Unit Operator.

11.6 Uncommitted Royalty. Should an owner of a Royalty Interest in any Tract fail to become a party to the Unit Agreement, and, as a result thereof, the actual Royalty Interest payments with respect to such Tract are more or less than the Royalty Interest payments computed on the basis of the Unitized Substances that are allocated to such Tract under the Unit Agreement, the difference shall be borne by or inure to the benefit of Working Interest Owners, in proportion to the respective Unit Participations then in effect; however, the difference to be borne by or inure to the benefit of Working Interest Owners shall not exceed an amount computed on the basis of one-eighth (1/8th) of the difference between the Unitized Substances allocated to the Tract and the Unitized Substances produced

from the Tract. Such adjustment shall be made by charges and credits to the joint account.

ARTICLE 12

NON-UNITIZED FORMATIONS

12.1 Right to Operate. Any Working Interest Owner that now has or hereafter acquires the right to drill for and produce oil, gas, and other minerals from other than the Unitized Formation shall have the right to do so, notwithstanding this agreement or the Unit Agreement. In exercising the right, however, the Working Interest Owner shall exercise reasonable precaution to prevent unreasonable interference with Unit Operations. No Working Interest Owner shall produce Unitized Substances through any well drilled or operated by it. If any Working Interest Owner drills any well into or through the Unitized Formation, the Unitized Formation shall be protected in a manner satisfactory to Working Interest Owners so that the production of Unitized Substances will not adversely be affected.

12.2 Multiple Completions. No well shall be multiply completed in the Unitized Formation and in any other formation or formations without the unanimous consent of Working Interest Owners.

ARTICLE 13

TITLES

13.1 Warranty and Indemnity. Each Working Interest Owner represents and warrants that it is the owner of the respective Working Interests set forth opposite its name in Exhibit "B" to the Unit Agreement, and hereby agrees to indemnify and hold harmless the other Working Interest Owners from any loss due to failure, in whole or in part, of its title to any such interest, except failure of title arising out of Unit Operations; provided that such indemnity shall be limited to an amount equal to the net value that has been received from the sale or receipt of Unitized Substances attributed to the interest as to which title failed. Each failure of title will be deemed to be effective, insofar as this agreement is concerned, as of the first day of the calendar month in which such failure is finally determined, and there shall be no retroactive adjustment of Unit Expense, or retroactive allocation of Unitized Substances or the proceeds therefrom, as a result of title failure.

13.2 Failure Because of Unit Operations. The failure of title to any Working Interest in any Tract by reason of Unit

Operations, including nonproduction from such Tract, shall not change the Unit Participation of the Working Interest Owner whose title failed in relation to the Unit Participation of the other Working Interest Owners at the time of the title failure.

ARTICLE 14

LIABILITY, CLAIMS, AND SUITS

14.1 Individual Liability. The duties, obligations, and liabilities of Working Interest Owners shall be several and not joint or collective; and nothing herein contained shall ever be construed as creating a partnership of any kind, joint venture, association, or trust among Working Interest Owners.

14.2 Settlements. Unit Operator may settle any single damage claim or suit involving Unit Operations, but not involving an expenditure in excess of Thirty Thousand Dollars (\$30,000.00), provided the payment is in complete settlement of such claim or suit. If the amount required for settlement exceeds the above specified amount, Working Interest Owners shall assume and take over the further handling of the claim or suit unless such authority is expressly delegated to Unit Operator. All costs and expense of handling, settling, or otherwise discharging such claim or suit shall be an item of Unit Expense. If a claim is made against any Working Interest Owner or if any Working Interest Owner is sued on account of any matter arising from Unit Operations and over which such Working Interest Owner, individually, has no control because of the rights given Working Interest Owners and Unit Operator by this agreement and the Unit Agreement, the Working Interest Owner shall immediately notify the Unit Operator, and the claim or suit shall be treated as any other claim or suit involving Unit Operations.

ARTICLE 15

INTERNAL REVENUE CODE ELECTION

15.1 Internal Revenue Code Election. Notwithstanding any provisions herein that the rights and liabilities of the parties hereunder are several and not joint or collective or that this agreement and the operations hereunder shall not constitute a partnership, if for Federal income tax purposes this agreement and the operations hereunder are regarded as a partnership, then each of the parties hereto hereby elects to be excluded from the application of all of the provisions of Subchapter K, Chapter 1, Subtitle A, of the Internal Revenue Code of 1954, as permitted and authorized by Section

761 of said Code and the regulation promulgated thereunder. Unit Operator is hereby authorized and directed to execute on behalf of each of the parties hereto such evidence of this election as may be required by the Secretary of the Treasury of the United States or by the Federal Internal Revenue Service, including specifically, but not by way of limitation, all of the returns, statements, and the data required by Federal Regulations 1.761-1 (a). Should there be any requirement that each party hereto further evidence this election, each party hereto agrees to execute such documents and furnish such other evidence as may be required by the Federal Internal Revenue Service or as may be necessary to evidence this election. Each party hereto further agrees not to give any notices or take any other action inconsistent with the election made hereby. If any present or future income tax laws of the state or states in which the property covered by this agreement is located, or any future income tax laws of the United States, contain, or shall hereafter contain, provisions similar to those contained in Subchapter K, Chapter 1, Subtitle A, of the Internal Revenue Code of 1954, under which an election similar to that provided by Section 761 of said Subchapter K is permitted, each of the parties hereto hereby makes such election or agrees to make such election as may be permitted by such laws. In making this election, each of the parties hereto hereby states that the income derived by it from the operations under this agreement can be adequately determined without the computation of partnership taxable income.

ARTICLE 16

NOTICES

16.1 Notices. All notices required hereunder shall be in writing and shall be deemed to have been properly served when sent by mail or telegram to the address of the representative of each Working Interest Owner as furnished to Unit Operator in accordance with Article 4.

ARTICLE 17

WITHDRAWAL OF WORKING INTEREST OWNER

17.1 Withdrawal. A Working Interest Owner, after first having given each of the other Working Interest Owners sixty (60) days notice of its intention to do so, may withdraw from this agreement by transferring, without warranty of title, either express or implied, to the other Working Interest Owners who do not desire to withdraw, all its Oil and Gas Rights in the Unitized Formation in the Unitized Area, together with its interest in all Unit Equipment and in all wells used

in Unit Operations. Such transfer shall not relieve said Working Interest Owner from any obligation or liability incurred prior to the date of the delivery of the transfer, which delivery may be made to Unit Operator as Agent for the transferees. The interest transferred shall be owned by the transferees in proportion to their respective Unit Participation at the date of the transfer. The transferees, in proportion to the respective interest so acquired, shall pay transferor for its interest in Unit Equipment, the net salvage value thereof as estimated and fixed by Working Interest Owners. After the date of delivery of the transfer, the withdrawing Working Interest Owner shall be relieved from all further obligations and liability hereunder and under the Unit Agreement, and the rights of such Working Interest Owner hereunder and under the Unit Agreement shall cease insofar as they existed by virtue of the interest transferred.

17.2 New Interest. If any Working Interest Owner shall, after executing this agreement, create an overriding royalty, production payment, net profits, or carried interest, or other interest out of its interest, then subject to this agreement, such new interest shall be subject to the terms and provisions of this agreement. In the event the Working Interest Owner owning the interest from which the new interest was created withdraws from this agreement under the terms of Section 17.1 hereof, or fails to pay any expense or costs chargeable to Working Interest Owner under this agreement and the production to the credit of such Working Interest Owner is insufficient for that purpose, the owner of the new interest created out of the interest of Working Interest Owner will be liable for the pro rata portion of all costs and expenses which the original Working Interest Owner that created such new interest would have been liable by virtue of his original interest just as though the new interest had not been created. In this event, the lien provided in Section 11.5 hereof may be enforced against such new interest in the same manner as the lien was enforceable against the original interest of Working Interest Owner.

ARTICLE 18

ABANDONMENT OF WELLS

18.1 Rights of Former Owners. If Working Interest Owners decide to abandon permanently any well within the Unit Area prior to termination of the Unit Agreement, Unit Operator shall give written notice thereof to the Working Interest Owners of the Tract on which the well is located, and they shall have the option for a period of ninety (90) days after the sending of such notice to notify Unit Operator in writing of their election to take over and own the well.

Within ten (10) days after the Working Interest Owners of the Tract have notified Unit Operator of their election to take over the well, they shall pay Unit Operator, for credit to the joint account, the amount estimated by Working Interest Owners to be the net salvage value of the casing and equipment in and on the well owned by Working Interest Owners. The Working Interest Owners of the Tract, by taking over the well, agree to seal off effectively and protect the Unitized Formation, and, upon abandonment, to plug the well in compliance with applicable laws and regulations.

18.2 Plugging. If the Working Interest Owners of a Tract do not elect to take over a well located thereon which is proposed for abandonment, Unit Operator shall plug and abandon the well in compliance with applicable laws and regulations.

ARTICLE 19

EFFECTIVE DATE AND TERM

19.1 Effective Date. This agreement shall be binding on each party who executes or ratifies the same as of the date of execution or ratification by such party, but shall not become effective for the purpose of conducting Unit Operations hereunder until the effective date of said Unit Agreement, which date shall also be the effective date of this agreement.

19.2 Term. This agreement shall continue in full force and effect so long as the Unit Agreement remains in force and effect, and thereafter until (a) all Unit Wells have been abandoned and plugged or turned over to the Working Interest Owners in accordance with Article 20 hereof, (b) all Unit Equipment and real property acquired for the joint account have been disposed of by the Unit Operator in accordance with instructions of the Working Interest Owners, and (c) there has been a final accounting.

ARTICLE 20

ABANDONMENT OF OPERATIONS

20.1 Termination. Upon termination of the Unit Agreement, the following will occur:

20.1.1 Oil and Gas Rights.
Oil and Gas Rights in and to
each separate Tract shall no

longer be affected by this agreement, and thereafter the parties shall be governed by the terms and provisions of the leases, contracts, and other instruments affecting the separate Tracts.

20.1.2 Right to Operate. Working Interest Owners of any Tract that desire to take over and continue to operate wells located thereon may do so by paying Unit Operator, for credit to the joint account, the net salvage value of the casing and equipment in and on the wells taken over, as estimated by Working Interest Owners, and by agreeing to plug properly each well at such time as it is abandoned.

20.1.3 Salvaging Wells. Unit Operator shall salvage as much of the casing and equipment owned by Working Interest Owners in or on wells not taken over by Working Interest Owners of separate Tracts as can economically and reasonably be salvaged, and shall cause the wells to be plugged and abandoned properly.

20.1.4 Cost of Salvaging. Working Interest Owners shall share the cost of salvaging and share in the material salvaged in proportion to their respective Unit Participation.

ARTICLE 21

JOINDER AND RATIFICATION

21.1 Execution by Separate Counterparts or Ratifications. This agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument and as if all parties to the aggregate counterparts had signed the same instrument, or may be ratified by a separate instrument in writing referring to this agreement, each such ratification having the force and effect of an executed counterpart hereof and in effect incorporating by reference all of the provisions hereof.

ARTICLE 22

TRANSFERS OF INTEREST

22.1 Successors and Assigns. This agreement shall constitute a covenant running with the lands and leases covered hereby, and shall be binding upon and inure to the benefit of the heirs, devisees, legal representatives, successors, and assigns of the parties hereto, respectively. Each assignment or other transfer of Working Interest by any party hereto shall be made expressly subject to this agreement and shall provide expressly that the transferee shall assume and be bound by all obligations accruing hereunder in respect to the Working Interest transferred from and after the assignment or other transfer.

22.2 Notice of Transfer. An assignment or other transfer of Working Interest that is subject to this agreement shall not be binding upon Unit Operator, and shall not relieve the transferor of obligations accruing hereunder, prior to the first day of the calendar month next succeeding receipt by Unit Operator of written notice thereof, accompanied by certified copy of the recorded instrument evidencing the transfer.

22.3 Six or More Owners. In the event that any Tract or Tracts subject to this agreement is owned or hereafter becomes owned by six (6) or more Working Interest Owners, then, in such event, said Working Interest Owners agree, upon request, to furnish Unit Operator with a recordable instrument executed by all such Working Interest Owners designating an agent to receive and be responsible for all costs, expenses, and credits related to Unit Operations and attributable to all such Working Interest Owners.

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

ROYALTY OWNERS

OVERRIDING ROYALTY OWNERS

UNIT OPERATOR AND WORKING INTEREST OWNERS

NAME:

J. CLEO THOMPSON AND JAMES CLEO
THOMPSON, JR., A PARTNERSHIP

ADDRESS:

By James Cleo Thompson, Jr.
James Cleo Thompson, Jr.
Managing General Partner

THOMPSON PETROLEUM CORPORATION

ADDRESS:

By James Cleo Thompson, Jr.

ATTEST:

Luis Cannady

Tonie E. Beavers
Tonie E. Beavers

ADDRESS:

JEAN CHRISTINE THOMPSON TRUST #2

ADDRESS:

By *James Cleo Thompson, Jr.*
James Cleo Thompson, Jr.
Trustee

Jack M. Myers
Jack M. Myers

ADDRESS:

Sam Lett
Sam Lett

ADDRESS:

I & L DEVELOPMENT COMPANY

ADDRESS:

By Thomas V. Kelly

ATTEST:

Jean Hood

EXHIBIT "D"
Unit Participation

Proposed West Square Lake Grayburg-San Andres Water Flood Unit

| <u>WORKING INTEREST OWNERS</u> | <u>TRACT #</u> | <u>PERCENTAGE OF TRACT PARTICIPATION</u> | <u>WORKING INTEREST PARTICIPATION IN TRACT</u> | <u>TOTAL WORKING INTEREST PARTICIPATION IN UNIT</u> | | |
|--|----------------|--|--|---|---|---------|
| J. CLEO THOMPSON AND JAMES CLEO THOMPSON, JR., A PARTNERSHIP | 1 | .061402 | X | .366667 | = | .022514 |
| | 2 | .054644 | X | .366667 | = | .020036 |
| | 3 | .025782 | X | .666667 | = | .017188 |
| | 4 | .014463 | X | .666667 | = | .009642 |
| | 5 | .030946 | X | .366667 | = | .011346 |
| | 6 | .110582 | X | .666667 | = | .073721 |
| | 7 | .014128 | X | .366667 | = | .005180 |
| | 8 | .012251 | X | .666667 | = | .008167 |
| | 9 | .102669 | X | .366667 | = | .037645 |
| | 10 | .017914 | X | .666667 | = | .011942 |
| | 11 | .041941 | X | .666667 | = | .027960 |
| | 12 | .038421 | X | .666667 | = | .025614 |

| | | | | | |
|----|---------|---|---------|---|---------|
| 13 | .065022 | X | .366667 | = | .023841 |
| 14 | .051697 | X | .366667 | = | .018955 |
| 15 | .095057 | X | .366667 | = | .034854 |
| 16 | .013965 | X | .366667 | = | .005120 |
| 17 | .004016 | X | .666667 | = | .002677 |
| 18 | .009265 | X | .666667 | = | .006176 |
| 19 | .008872 | X | .666667 | = | .005914 |
| 20 | .058485 | X | .666667 | = | .038990 |
| 21 | .058087 | X | .666667 | = | .038724 |
| 22 | .022732 | X | .666667 | = | .015154 |
| 23 | .022436 | X | .666667 | = | .014957 |
| 24 | .056695 | X | .666667 | = | .037796 |
| 25 | .008528 | X | .666667 | = | .005685 |

| <u>WORKING INTEREST OWNERS</u> | <u>TRACT #</u> | <u>PERCENTAGE OF TRACT PARTICIPATION</u> | <u>WORKING INTEREST PARTICIPATION IN TRACT</u> | <u>TOTAL WORKING INTEREST PARTICIPATION IN UNIT</u> |
|--------------------------------|----------------|--|--|---|
| THOMPSON PETROLEUM CORPORATION | 1 | .061402 | .100000 | .006140 |
| | 2 | .054644 | .100000 | .005464 |
| | 5 | .030946 | .100000 | .003094 |
| | 7 | .014128 | .100000 | .001412 |
| | 9 | .102669 | .100000 | .010266 |
| | 13 | .065022 | .100000 | .006502 |
| | 14 | .051697 | .100000 | .005169 |
| | 15 | .095057 | .100000 | .009505 |
| | 16 | .013965 | .100000 | .001396 |

| <u>WORKING INTEREST OWNERS</u> | <u>TRACT #</u> | <u>PERCENTAGE OF TRACT PARTICIPATION</u> | <u>WORKING INTEREST PARTICIPATION IN TRACT</u> | <u>TOTAL WORKING INTEREST PARTICIPATION IN UNIT</u> |
|--------------------------------|----------------|--|--|---|
| TOXIE E. BEAVERS | 1 | .061402 | X .075000 | = .004605 |
| | 2 | .054644 | X .075000 | = .004098 |
| | 5 | .030946 | X .075000 | = .002320 |
| | 7 | .014128 | X .075000 | = .001059 |
| | 9 | .102669 | X .075000 | = .007700 |
| | 13 | .065022 | X .075000 | = .004876 |
| | 14 | .051697 | X .075000 | = .003877 |
| | 15 | .095057 | X .075000 | = .007129 |
| | 16 | .013965 | X .075000 | = .001047 |

| <u>WORKING INTEREST OWNERS</u> | <u>TRACT #</u> | <u>PERCENTAGE OF TRACT PARTICIPATION</u> | <u>WORKING INTEREST PARTICIPATION IN TRACT</u> | <u>TOTAL WORKING INTEREST PARTICIPATION IN UNIT</u> |
|--------------------------------|----------------|--|--|---|
| JACK M. MYERS | 1 | .061402 | .050000 | = .003070 |
| | 2 | .054644 | .050000 | = .002732 |
| | 5 | .030946 | .050000 | = .001547 |
| | 7 | .014128 | .050000 | = .000706 |
| | 9 | .102669 | .050000 | = .005133 |
| | 13 | .065022 | .050000 | = .003251 |
| | 14 | .051697 | .050000 | = .002584 |
| | 15 | .095057 | .050000 | = .004752 |
| | 16 | .013965 | .050000 | = .000698 |

| <u>WORKING INTEREST OWNERS</u> | <u>TRACT #</u> | <u>PERCENTAGE OF TRACT PARTICIPATION</u> | <u>WORKING INTEREST PARTICIPATION IN TRACT</u> | | <u>TOTAL WORKING INTEREST PARTICIPATION IN UNIT</u> | |
|--------------------------------|----------------|--|--|---------|---|---------|
| | | | | | | |
| SAM LETT | 1 | .061402 | X | .166667 | = | .010233 |
| | 2 | .054644 | X | .166667 | = | .009107 |
| | 3 | .025782 | X | .166667 | = | .004297 |
| | 4 | .014463 | X | .166667 | = | .002410 |
| | 5 | .030946 | X | .166667 | = | .005157 |
| | 6 | .110582 | X | .166667 | = | .018430 |
| | 7 | .014128 | X | .166667 | = | .002354 |
| | 8 | .012251 | X | .166667 | = | .002041 |
| | 9 | .102669 | X | .166667 | = | .017111 |
| | 10 | .017914 | X | .166667 | = | .002985 |
| | 11 | .041941 | X | .166667 | = | .006990 |
| | 12 | .038421 | X | .166667 | = | .006403 |
| | 13 | .065022 | X | .166667 | = | .010837 |
| | 14 | .051697 | X | .166667 | = | .008616 |
| | 15 | .095057 | X | .166667 | = | .015842 |
| | 16 | .013965 | X | .166667 | = | .002327 |

| | | | | | |
|----|---------|---|---------|---|---------|
| 17 | .004016 | X | .166667 | = | .000669 |
| 18 | .009265 | X | .166667 | = | .001544 |
| 19 | .008872 | X | .166667 | = | .001478 |
| 20 | .058485 | X | .166667 | = | .009747 |
| 21 | .058087 | X | .166667 | = | .009681 |
| 22 | .022732 | X | .166667 | = | .003788 |
| 23 | .022436 | X | .166667 | = | .003739 |
| 24 | .056695 | X | .166667 | = | .009449 |
| 25 | .008528 | X | .166667 | = | .001421 |

| <u>WORKING INTEREST OWNERS</u> | <u>TRACT #</u> | <u>PERCENTAGE OF TRACT PARTICIPATION</u> | <u>WORKING INTEREST PARTICIPATION IN TRACT</u> | <u>TOTAL WORKING INTEREST PARTICIPATION IN UNIT</u> |
|--------------------------------|----------------|--|--|---|
| I & L DEVELOPMENT | 1 | .061402 | .166666 | = |
| | 2 | .054644 | .166666 | = |
| | 3 | .025782 | .166666 | = |
| | 4 | .014463 | .166666 | = |
| | 5 | .030946 | .166666 | = |
| | 6 | .110582 | .166666 | = |
| | 7 | .014128 | .166666 | = |
| | 8 | .012251 | .166666 | = |
| | 9 | .102669 | .166666 | = |
| | 10 | .017914 | .166666 | = |
| | 11 | .041941 | .166666 | = |
| | 12 | .038421 | .166666 | = |
| | 13 | .065022 | .166666 | = |
| | 14 | .051697 | .166666 | = |
| | 15 | .095057 | .166666 | = |
| | 16 | .013965 | .166666 | = |

| | | | | | |
|----|---------|---|---------|---|---------|
| 17 | .004016 | X | .166666 | = | .000669 |
| 18 | .009265 | X | .166666 | = | .001544 |
| 19 | .008872 | X | .166666 | = | .001478 |
| 20 | .058485 | X | .166666 | = | .009747 |
| 21 | .058087 | X | .166666 | = | .009681 |
| 22 | .022732 | X | .166666 | = | .003788 |
| 23 | .022436 | X | .166666 | = | .003739 |
| 24 | .056695 | X | .166666 | = | .009449 |
| 25 | .008528 | X | .166666 | = | .001421 |

EXHIBIT " E "

Attached to and made a part of a certain Unit Agreement -
 West Square Lake Unit Area, Eddy County, New Mexico

ACCOUNTING PROCEDURE
 JOINT OPERATIONS

I. GENERAL PROVISIONS

1. Definitions

"Joint Property" shall mean the real and personal property subject to the agreement to which this Accounting Procedure is attached.

"Joint Operations" shall mean all operations necessary or proper for the development, operation, protection and maintenance of the Joint Property.

"Joint Account" shall mean the account showing the charges paid and credits received in the conduct of the Joint Operations and which are to be shared by the Parties.

"Operator" shall mean the party designated to conduct the Joint Operations.

"Non-Operators" shall mean the parties to this agreement other than the Operator.

"Parties" shall mean Operator and Non-Operators.

"First Level Supervisors" shall mean those employees whose primary function in Joint Operations is the direct supervision of other employees and/or contract labor directly employed on the Joint Property in a field operating capacity.

"Technical Employees" shall mean those employees having special and specific engineering, geological or other professional skills, and whose primary function in Joint Operations is the handling of specific operating conditions and problems for the benefit of the Joint Property.

"Personal Expenses" shall mean travel and other reasonable reimbursable expenses of Operator's employees.

"Material" shall mean personal property, equipment or supplies acquired or held for use on the Joint Property.

"Controllable Material" shall mean Material which at the time is so classified in the Material Classification Manual as most recently recommended by the Council of Petroleum Accountants Societies of North America.

2. Statement and Billings

Operator shall bill Non-Operators on or before the last day of each month for their proportionate share of the Joint Account for the preceding month. Such bills will be accompanied by statements which identify the authority for expenditure, lease or facility, and all charges and credits, summarized by appropriate classifications of investment and expense except that items of Controllable Material and unusual charges and credits shall be separately identified and fully described in detail.

3. Advances and Payments by Non-Operators

Unless otherwise provided for in the agreement, the Operator may require the Non-Operators to advance their share of estimated cash outlay for the succeeding month's operation. Operator shall adjust each monthly billing to reflect advances received from the Non-Operators.

Each Non-Operator shall pay its proportion of all bills within fifteen (15) days after receipt. If payment is not made within such time, the unpaid balance shall bear interest monthly at the rate of ~~twelve percent (12%)~~ ^{eighteen (18%)} per annum or the maximum contract rate permitted by the applicable usury laws in the state in which the Joint Property is located, whichever is the lesser, plus attorney's fees, court costs, and other costs in connection with the collection of unpaid amounts.

4. Adjustments

Payment of any such bills shall not prejudice the right of any Non-Operator to protest or question the correctness thereof; provided, however, all bills and statements rendered to Non-Operators by Operator during any calendar year shall conclusively be presumed to be true and correct after twenty-four (24) months following the end of any such calendar year, unless within the said twenty-four (24) month period a Non-Operator takes written exception thereto and makes claim on Operator for adjustment. No adjustment favorable to Operator shall be made unless it is made within the same prescribed period. The provisions of this paragraph shall not prevent adjustments resulting from a physical inventory of Controllable Material as provided for in Section V.

5. Audits

A. Non-Operator, upon notice in writing to Operator and all other Non-Operators, shall have the right to audit Operator's accounts and records relating to the Joint Account for any calendar year within the twenty-four (24) month period following the end of such calendar year; provided, however, the making of an audit shall not extend the time for the taking of written exception to and the adjustments of accounts as provided for in Paragraph 4 of this Section I. Where there are two or more Non-Operators, the Non-Operators shall make every reasonable effort to conduct joint or simultaneous audits in a manner which will result in a minimum of inconvenience to the Operator. Operator shall bear no portion of the Non-Operators' audit cost incurred under this paragraph unless agreed to by the Operator.

6. Approval by Non-Operators

Where an approval or other agreement of the Parties or Non-Operators is expressly required under other sections of this Accounting Procedure and if the agreement to which this Accounting Procedure is attached contains no contrary provisions in regard thereto, Operator shall notify all Non-Operators of the Operator's proposal, and the agreement or approval of a majority in interest of the Non-Operators shall be controlling on all Non-Operators.

II. DIRECT CHARGES

Operator shall charge the Joint Account with the following items:

1. Rentals and Royalties

Lease rentals and royalties paid by Operator for the Joint Operations.

2. Labor

- A. (1) Salaries and wages of Operator's field employees directly employed on the Joint Property in the conduct of Joint Operations.
- (2) Salaries of First Level Supervisors in the field.
- (3) Salaries and wages of Technical Employees directly employed on the Joint Property if such charges are excluded from the Overhead rates.
- B. Operator's cost of holiday, vacation, sickness and disability benefits and other customary allowances paid to employees whose salaries and wages are chargeable to the Joint Account under Paragraph 2A of this Section II. Such costs under this Paragraph 2B may be charged on a "when and as paid basis" or by "percentage assessment" on the amount of salaries and wages chargeable to the Joint Account under Paragraph 2A of this Section II. If percentage assessment is used, the rate shall be based on the Operator's cost experience.
- C. Expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to Operator's costs chargeable to the Joint Account under Paragraphs 2A and 2B of this Section II.
- D. Personal Expenses of those employees whose salaries and wages are chargeable to the Joint Account under Paragraph 2A of this Section II.

3. Employee Benefits

Operator's current costs of established plans for employees' group life insurance, hospitalization, pension, retirement, ~~stock purchase, thrift, bonus, and other benefit plans of a like nature, applicable to Operator's labor cost chargeable to the Joint Account under Paragraphs 2A and 2B of this Section II shall be Operator's actual cost not to exceed ~~twenty percent (20%)~~.~~ ^{profit sharing}

4. Material

Material purchased or furnished by Operator for use on the Joint Property as provided under Section IV. Only such Material shall be purchased for or transferred to the Joint Property as may be required for immediate use and is reasonably practical and consistent with efficient and economical operations. The accumulation of surplus stocks shall be avoided.

5. Transportation

Transportation of employees and Material necessary for the Joint Operations but subject to the following limitations:

- A. If Material is moved to the Joint Property from the Operator's warehouse or other properties, no charge shall be made to the Joint Account for a distance greater than the distance from the nearest reliable supply store, recognized barge terminal, or railway receiving point where like material is normally available, unless agreed to by the Parties.
- B. If surplus Material is moved to Operator's warehouse or other storage point, no charge shall be made to the Joint Account for a distance greater than the distance to the nearest reliable supply store, recognized barge terminal, or railway receiving point unless agreed to by the Parties. No charge shall be made to the Joint Account for moving Material to other properties belonging to Operator, unless agreed to by the Parties.
- C. In the application of Subparagraphs A and B above, there shall be no equalization of actual gross trucking cost of \$200 or less excluding accessorial charges.

6. Services

The cost of contract services, equipment and utilities provided by outside sources, except services excluded by Paragraph 9 of Section II and Paragraph 1. ii of Section III. The cost of professional consultant services and contract services of technical personnel directly engaged on the Joint Property if such charges are excluded from the Overhead rates. The cost of professional consultant services or contract services of technical personnel not directly engaged on the Joint Property shall not be charged to the Joint Account unless previously agreed to by the Parties.

7. Equipment and Facilities Furnished by Operator

- A. Operator shall charge the Joint Account for use of Operator owned equipment and facilities at rates commensurate with costs of ownership and operation. Such rates shall include costs of maintenance, repairs, other operating expense, insurance, taxes, depreciation, and interest on investment not to exceed eight per cent (8%) per annum. Such rates shall not exceed average commercial rates currently prevailing in the immediate area of the Joint Property.
- B. In lieu of charges in Paragraph 7A above, Operator may elect to use average commercial rates prevailing in the immediate area of the Joint Property less 20%. For automotive equipment, Operator may elect to use rates published by the Petroleum Motor Transport Association.

8. Damages and Losses to Joint Property

All costs or expenses necessary for the repair or replacement of Joint Property made necessary because of damages or losses incurred by fire, flood, storm, theft, accident, or other cause, except those resulting from Operator's gross negligence or willful misconduct. Operator shall furnish Non-Operator written notice of damages or losses incurred as soon as practicable after a report thereof has been received by Operator.

9. Legal Expense

Expense of handling, investigating and settling litigation or claims, discharging of liens, payment of judgments and amounts paid for settlement of claims incurred in or resulting from operations under the agreement or necessary to protect or recover the Joint Property, except that no charge for services of Operator's legal staff or fees or expense of outside attorneys shall be made unless previously agreed to by the Parties. All other legal expense is considered to be covered by the overhead provisions of Section III unless otherwise agreed to by the Parties, except as provided in Section I, Paragraph 3.

10. Taxes

All taxes of every kind and nature assessed or levied upon or in connection with the Joint Property, the operation thereof, or the production therefrom, and which taxes have been paid by the Operator for the benefit of the Parties.

11. Insurance

Net premiums paid for insurance required to be carried for the Joint Operations for the protection of the Parties. In the event Joint Operations are conducted in a state in which Operator may act as self-insurer for Workmen's Compensation and/or Employers Liability under the respective state's laws, Operator may, at its election, include the risk under its self-insurance program and in that event, Operator shall include a charge at Operator's cost not to exceed manual rates.

12. Other Expenditures

Any other expenditure not covered or dealt with in the foregoing provisions of this Section II, or in Section III, and which is incurred by the Operator in the necessary and proper conduct of the Joint Operations.

III. OVERHEAD

1. Overhead - Drilling and Producing Operations

- i. As compensation for administrative, supervision, office services and warehousing costs, Operator shall charge drilling and producing operations on either:

(XXX) Fixed Rate Basis, Paragraph 1A, or
~~() Percentage Basis, Paragraph 1B.~~

Unless otherwise agreed to by the Parties, such charge shall be in lieu of costs and expenses of all offices and salaries or wages plus applicable burdens and expenses of all personnel, except those directly chargeable under Paragraph 2A, Section II. The cost and expense of services from outside sources in connection with matters of taxation, traffic, accounting or matters before or involving governmental agencies shall be considered as included in the Overhead rates provided for in the above selected Paragraph of this Section III unless such cost and expense are agreed to by the Parties as a direct charge to the Joint Account.

- ii. The salaries, wages and Personal Expenses of Technical Employees and/or the cost of professional consultant services and contract services of technical personnel directly employed on the Joint Property shall ~~() shall not ()~~ be covered by the Overhead rates.

A. Overhead - Fixed Rate Basis

- (1) Operator shall charge the Joint Account at the following rates per well per month:

| | |
|------------------------|----------------|
| Drilling Well Rate \$ | <u>1826.19</u> |
| Producing Well Rate \$ | <u>319.60</u> |

- (2) Application of Overhead - Fixed Rate Basis shall be as follows:

(a) Drilling Well Rate

- [1] Charges for onshore drilling wells shall begin on the date the well is spudded and terminate on the date the drilling or completion rig is released, whichever is later, except that no charge shall be made during suspension of drilling operations for fifteen (15) or more consecutive days.
- [2] Charges for offshore drilling wells shall begin on the date when drilling or completion equipment arrives on location and terminate on the date the drilling or completion equipment moves off location or rig is released, whichever occurs first, except that no charge shall be made during suspension of drilling operations for fifteen (15) or more consecutive days.
- [3] Charges for wells undergoing any type of workover or recompletion for a period of five (5) consecutive days or more shall be made at the drilling well rate. Such charges shall be applied for the period from date workover operations, with rig, commence through date of rig release, except that no charge shall be made during suspension of operations for fifteen (15) or more consecutive days.

(b) Producing Well Rates

- [1] An active well either produced or injected into for any portion of the month shall be considered as a one-well charge for the entire month.
 - [2] Each active completion in a multi-completed well in which production is not commingled down hole shall be considered as a one-well charge providing each completion is considered a separate well by the governing regulatory authority.
 - [3] An inactive gas well shut in because of overproduction or failure of purchaser to take the production shall be considered as a one-well charge providing the gas well is directly connected to a permanent sales outlet.
 - [4] A one-well charge may be made for the month in which plugging and abandonment operations are completed on any well.
 - [5] All other inactive wells (including but not limited to inactive wells covered by unit allowable, lease allowable, transferred allowable, etc.) shall not qualify for an overhead charge.
- (3) The well rates shall be adjusted as of the first day of April each year following the effective date of the agreement to which this Accounting Procedure is attached. The adjustment shall be computed by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the calendar year preceding as shown by the index of average weekly earnings of Crude Petroleum and Gas Fields Production Workers as published by the United States Department of Labor, Bureau of Labor Statistics, or the equivalent Canadian index as published by Statistics Canada, as applicable. The adjusted rates shall be the rates currently in use, plus or minus the computed adjustment.

~~B. Overhead - Percentage Basis~~

(1) Operator shall charge the Joint Account at the following rates:

(a) Development

_____ Percent (%) of the cost of Development of the Joint Property exclusive of costs provided under Paragraph 9 of Section II and all salvage credits.

(b) Operating

_____ Percent (%) of the cost of Operating the Joint Property exclusive of costs provided under Paragraphs 1 and 9 of Section II, all salvage credits, the value of injected substances purchased for secondary recovery and all taxes and assessments which are levied, assessed and paid upon the mineral interest in and to the Joint Property.

(2) Application of Overhead - Percentage Basis shall be as follows:

For the purpose of determining charges on a percentage basis under Paragraph 1B of this Section III, development shall include all costs in connection with drilling, re-drilling, deepening or any remedial operations on any or all wells involving the use of drilling crew and equipment; also, preliminary expenditures necessary in preparation for drilling and expenditures incurred in abandoning when the well is not completed as a producer, and original cost of construction or installation of fixed assets, the expansion of fixed assets and any other project clearly discernible as a fixed asset, except Major Construction as defined in Paragraph 2 of this Section III. ~~All other costs shall be considered as Operating.~~

2. Overhead - Major Construction

To compensate Operator for overhead costs incurred in the construction and installation of fixed assets, the expansion of fixed assets, and any other project clearly discernible as a fixed asset required for the development and operation of the Joint Property, Operator shall either negotiate a rate prior to the beginning of construction or shall charge the Joint Account for Overhead based on the following rates for any Major Construction project in excess of \$ _____:

A. _____ % of total costs if such costs are more than \$ _____ but less than \$ _____; plus

B. _____ % of total costs in excess of \$ _____ but less than \$1,000,000; plus

C. _____ % of total costs in excess of \$1,000,000.

Total cost shall mean the gross cost of any one project. For the purpose of this paragraph, the component parts of a single project shall not be treated separately and the cost of drilling and workover wells shall be excluded.

3. Amendment of Rates

The Overhead rates provided for in this Section III may be amended from time to time only by mutual agreement between the Parties hereto if, in practice, the rates are found to be insufficient or excessive.

IV. PRICING OF JOINT ACCOUNT MATERIAL PURCHASES, TRANSFERS AND DISPOSITIONS

Operator is responsible for Joint Account Material and shall make proper and timely charges and credits for all material movements affecting the Joint Property. Operator shall provide all Material for use on the Joint Property; however, at Operator's option, such Material may be supplied by the Non-Operator. Operator shall make timely disposition of idle and/or surplus Material, such disposal being made either through sale to Operator or Non-Operator, division in kind, or sale to outsiders. Operator may purchase, but shall be under no obligation to purchase, interest of Non-Operators in surplus condition A or B Material. The disposal of surplus Controllable Material not purchased by the Operator shall be agreed to by the Parties.

1. Purchases

Material purchased shall be charged at the price paid by Operator after deduction of all discounts received. In case of Material found to be defective or returned to vendor for any other reason, credit shall be passed to the Joint Account when adjustment has been received by the Operator.

2. Transfers and Dispositions

Material furnished to the Joint Property and Material transferred from the Joint Property or disposed of by the Operator, unless otherwise agreed to by the Parties, shall be priced on the following bases exclusive of cash discounts:

A. New Material (Condition A)

(1) Tubular goods, except line pipe, shall be priced at the current new price in effect on date of movement on a maximum carload or barge load weight basis, regardless of quantity transferred, equalized to the lowest published price f.o.b. railway receiving point or recognized barge terminal nearest the Joint Property where such Material is normally available.

(2) Line Pipe

(a) Movement of less than 30,000 pounds shall be priced at the current new price, in effect at date of movement, as listed by a reliable supply store nearest the Joint Property where such Material is normally available.

(b) Movement of 30,000 pounds or more shall be priced under provisions of tubular goods pricing in Paragraph 2A (1) of this Section IV.

(3) Other Material shall be priced at the current new price, in effect at date of movement, as listed by a reliable supply store or f.o.b. railway receiving point nearest the Joint Property where such Material is normally available.

B. Good Used Material (Condition B)

Material in sound and serviceable condition and suitable for reuse without reconditioning:

(1) Material moved to the Joint Property

(a) At seventy-five percent (75%) of current new price, as determined by Paragraph 2A of this Section IV.

(2) Material moved from the Joint Property

(a) At seventy-five percent (75%) of current new price, as determined by Paragraph 2A of this Section IV, if Material was originally charged to the Joint Account as new Material, or

- (b) at sixty-five percent (65%) of current new price, as determined by Paragraph 2A of this Section IV, if Material was originally charged to the Joint Account as good used Material at seventy-five percent (75%) of current new price.

The cost of reconditioning, if any, shall be absorbed by the transferring property.

C. Other Used Material (Condition C and D)

(1) Condition C

Material which is not in sound and serviceable condition and not suitable for its original function until after reconditioning shall be priced at fifty percent (50%) of current new price as determined by Paragraph 2A of this Section IV. The cost of reconditioning shall be charged to the receiving property, provided Condition C value plus cost of reconditioning does not exceed Condition B value.

(2) Condition D

All other Material, including junk, shall be priced at a value commensurate with its use or at prevailing prices. Material no longer suitable for its original purpose but usable for some other purpose, shall be priced on a basis comparable with that of items normally used for such other purpose. Operator may dispose of Condition D Material under procedures normally utilized by the Operator without prior approval of Non-Operators.

D. Obsolete Material

Material which is serviceable and usable for its original function but condition and/or value of such Material is not equivalent to that which would justify a price as provided above may be specially priced as agreed to by the Parties. Such price should result in the Joint Account being charged with the value of the service rendered by such Material.

E. Pricing Conditions

- (1) Loading and unloading costs may be charged to the Joint Account at the rate of fifteen cents (15¢) per hundred weight on all tubular goods movements, in lieu of loading and unloading costs sustained, when actual hauling cost of such tubular goods are equalized under provisions of Paragraph 5 of Section II.
- (2) Material involving erection costs shall be charged at applicable percentage of the current knocked-down price of new Material.

3. Premium Prices

Whenever Material is not readily obtainable at published or listed prices because of national emergencies, strikes or other unusual causes over which the Operator has no control, the Operator may charge the Joint Account for the required Material at the Operator's actual cost incurred in providing such Material, in making it suitable for use, and in moving it to the Joint Property; provided notice in writing is furnished to Non-Operators of the proposed charge prior to billing Non-Operators for such Material. Each Non-Operator shall have the right, by so electing and notifying Operator within ten days after receiving notice from Operator, to furnish in kind all or part of his share of such Material suitable for use and acceptable to Operator.

4. Warranty of Material Furnished by Operator

Operator does not warrant the Material furnished. In case of defective Material, credit shall not be passed to the Joint Account until adjustment has been received by Operator from the manufacturers or their agents.

V. INVENTORIES

The Operator shall maintain detailed records of Controllable Material.

1. Periodic Inventories, Notice and Representation

At reasonable intervals, Inventories shall be taken by Operator of the Joint Account Controllable Material. Written notice of intention to take inventory shall be given by Operator at least thirty (30) days before any inventory is to begin so that Non-Operators may be represented when any inventory is taken. Failure of Non-Operators to be represented at an inventory shall bind Non-Operators to accept the inventory taken by Operator.

2. Reconciliation and Adjustment of Inventories

Reconciliation of a physical inventory with the Joint Account shall be made, and a list of overages and shortages shall be furnished to the Non-Operators within six months following the taking of the inventory. Inventory adjustments shall be made by Operator with the Joint Account for overages and shortages, but Operator shall be held accountable only for shortages due to lack of reasonable diligence.

3. Special Inventories

Special Inventories may be taken whenever there is any sale or change of interest in the Joint Property. It shall be the duty of the party selling to notify all other Parties as quickly as possible after the transfer of interest takes place. In such cases, both the seller and the purchaser shall be governed by such inventory.

4. Expense of Conducting Periodic Inventories

The expense of conducting periodic Inventories shall not be charged to the Joint Account unless agreed to by the Parties.

EXHIBIT F
An Exhibit to Unit Operating Agreement
West Square Lake Unit
Eddy County, New Mexico

INSURANCE

Operator shall, at the joint expense of the parties hereto, at all times while operations are conducted hereunder, provide with responsible insurance companies, insurance as follows:

A. Workmen's Compensation Insurance in accordance with the laws of the state in which the operating area is located, and Employer's Liability Insurance with limits of not less than \$100,000.00;

B. Public Liability Insurance with respect to bodily injuries with limits of not less than \$100,000.00 as to any one person and \$300,000.00 as to any one accident; and Property Damage Liability Insurance with limits of not less than \$100,000.00 as to any one accident;

C. Automobile Public Liability Insurance with respect to bodily injuries with limits of not less than \$100,000.00 as to any one person and \$500,000.00 as to any one accident; also, Automobile Public Liability Insurance with respect to property damage with limits of not less than \$100,000.00 as to any one accident; and

D. Umbrella Liability with respect to excess over minimum scheduled liability policies of \$1,000,000.00.

Operator shall not provide, for the joint account of the parties hereto, insurance against the hazards of fire, windstorm, explosion, blowout, cratering, reservoir damage, pollution damage, or insurance other than that specified above.

It is understood that Operator does not warrant the financial responsibility of its insurance carrier, and except for willful negligence, Operator shall not be liable to Non-Operators for any loss resulting from insufficiency of the insurance carried, or of the insurer with whom carried. Operator shall not be liable to Non-Operators for any loss accruing by reason of the Operator's inability to obtain or maintain the above insurance, but Operator shall notify Non-Operators in writing, if it is unable to obtain or maintain such insurance.

1/1/19
Complete set

| Name & Address | Tract in Which Interest is Owed | Ratification Received? |
|--|---------------------------------|------------------------|
| Mc Richfield Box 85063 Dallas, TX 75285 | 5, 6 7, 8 13, 14 15 | Y |
| Grace B. Bockman P.O. Box 716 Roswell, NM 88201 | 1, 2 3, 4 9, 10 11 | Y |
| Braille Institute Agency 631-0 RepublicBank Dallas, Agent Box 241 Dallas, TX 75221 | 6, 7 8, 13 14, 15 | Y |
| Charles H. Coll P.O. Box 1818 Roswell, NM 88201 | 6, 7 8, 13 14, 15 | Y |
| James N. Coll P. O. Box 1818 Roswell, NM 88201 | 5, 6 7, 8 13, 14 15 | Y |
| Jon F. Coll P.O. Box 1818 Roswell, NM 88201 | 6, 7 8, 13 13, 14 15 | Y |
| Max W. Coll II Box EE Santa Fe, NM 87502 | 5, 6 7, 8 13, 14 15 | N |
| Rose M. Cottingham Executrix of Estate of V.E. Cottingham 1119 Monte City Drive San Angelo, TX 76901 | 5, 6 7, 8 13, 14 15 | N |

Ebene Cowell
82302 Alipaz Street
San Juan Capistrano, CA
92675

22

N

Mildred Vickers Crile
1003 W. Myrtle Avenue
Phoenix, AZ 85021

12

Y

Roger H. Davis
1150 Mercantile Building
Dallas, TX 75201

1, 2
3, 4
9, 10

Y

Dwight V. English
Star Route 1, Box 150
Willcox, AZ 85643

13

N

Evelyn Ann English
Administratrix
Estate of P.B. English Jr
P.O. Box 37
Kirkland, NM 87417

13

Y

Leroy English
P.O. Box 1226
Farmington, NM 87401

13

N

Mary English
15648 County Rd. 250
Durango, CO 81301

13

N

Michael L. English
3918 Wilshire Drive
Farmington, NM 87401

13

N

Patrick English
Box 35, SS Route
Durango, CO 81301

13

N

Stanley G. English
1213 E. 16th
Farmington, NM 87401

13

N

William B. English
P.O. Box 479
Aztec, NM 87410

13

N

Ada Nye Etz
1307 W. Third
Roswell, NM 88201

12

N

Ill Properties, Ltd.
P.O. Box 1992
Roswell, NM 88201

12

Y

George H. Etz, Jr.
George H. Etz, Sr. Trust
2003 17th Street
Lubbock, TX 79401

12

Y

George H. Etz, Jr.
Etz Southern Trust
1122 La Vista Drive
McAllen, TX 78501

12

Y

First National Bank of
Roswell
M. B. Leonard Trust
Box 1977
Roswell, NM 88201

9, 10
11, 15

Y

James B. Frances
Two Turtle Creek Village
Suite 1420
Dallas, Texas 75210

13

Y

Patricia Peck Griffin
2510 Fitzgerald
College Station, TX 77840

13

Y

Mrs. Tillie Cleve Crimes
605 W. Texas
Artesia, NM 88210

7, 8
20

Y

Vera Cox Haefs
9909 Glenrio Lane
Dallas, TX 75220

5, 7
8, 13
14, 15

Y

John R. Hanson
832 N. Leonard
Montebello, CA 90640

20, 21

Y

Higgins Trust, Inc.
691 Mountain View Circle
Gainesville, GA 30501

5, 6
7, 8
13, 14
15

N

Mary E. Hockett

20, 21

*

Helen Hudson

20, 21

*

| | | |
|--------------------------|--------|---|
| Intrawest Bank of Denver | 5, 6 | N |
| A/C Josephine M. Smith | 7, 8 | |
| Acct #05408-00-0 | 13, 14 | |
| Prop #9322945 | 15 | |
| Box 5825, Terminal Annex | | |
| Denver, CO 80217 | | |
| James Petroleum Trust | 5, 6 | N |
| David James, Trustee | 7, 8 | |
| 202 Mayo Building | 13, 14 | |
| Tulsa, OK 74103 | 15 | |
| Ludora Kille | 1, 2 | * |
| | 3, 4 | |
| | 9, 10 | |
| | 11 | |
| Barney E. Leonard | 9, 10 | Y |
| 4022 Whittier | 11, 15 | |
| Tucson, AZ 85711 | | |
| Georgia Mulcock Lutz | 7, 8 | Y |
| 2721 Westwood | 20 | |
| Baton Rouge, LA 70816 | | |
| Marshall & Winston, Inc. | 1, 2 | Y |
| 310 West Tower | 3, 4 | |
| #10 Desta Drive | 5, 6 | |
| Midland, TX 79705 | 7, 8 | |
| | 9, 10 | |
| | 11, 13 | |
| | 14, 15 | |
| I. J. Marshall | 1, 2 | Y |
| P.O. Box 1712 | 3, 4 | |
| Roswell, NM 88201 | 9, 10 | |
| | 11 | |
| Joy English Marquez | 13 | N |
| c/o Albert D. Marquez | | |
| 1801 June NE | | |
| Albuquerque, NM 87112 | | |

| | | |
|---|-----------------------------|---|
| Martin Dallas Street Artesia, NM 88210 | 7, 8 20, 21 22, 23 | Y |
| Thomas J. McCroden Thomas J. McCroden Trust 36 Mott Drive Almo, CA 94507 | 9, 10 11, 15 | Y |
| Agnes Williams Mulcock 1402 North Freeman Artesia, NM 88210 | 7, 8 20, 21 22, 23 | Y |
| Charles W. Mulcock, Jr. Star Route Hope, NM 88250 | 5, 8 20 | Y |
| James B. Mulcock, Jr. 7616 Winter NE Albuquerque, NM 87110 | 7, 8 20 | Y |
| J. B. Mulcock 1402 Freeman Artesia, NM 88210 | 7, 8 20, 21 22, 23 | Y |
| Cecile A. Peterson 4523 Neola Dallas, Texas 75209 | 1, 2 3, 4 9, 10 11 | Y |
| Gilbert E. Peterson Trust RepublicBank Dallas, Trustee Box 241 Dallas, Texas 75221 | 1, 2 3, 4 9, 10 11 | Y |
| Harry G. Peterson P.O. Box 1327 Tryon, NC 28782 | 1, 2 3, 4 9, 10 11 | Y |
| B. Kent Pomeroy Estate of Howard B. Wright, Deceased 818 E. Osborn, Suite 107 Phoenix, AZ 85014 | 1, 2 3, 4 9, 10 11 | N |

| | | |
|---------------------------|--------|---|
| Bank Dallas NA | 5, 6 | Y |
| , Selma Andrews | 7, 8 | |
| Post 5288 | 14, 15 | |
| Box 241 | | |
| Dallas, TX 75221 | | |
| Tommye June Robinson | 5, 6 | Y |
| 5809 Wedgeworth Road | 7, 8 | |
| Fort Worth, TX 76190 | 13, 14 | |
| | 15 | |
| Lena Mae Sparkman | 7, 8 | Y |
| Route 2 | 20 | |
| Prairie Grove, AR 72753 | | |
| Everett E. Taylor | 1, 2 | Y |
| P.O. Box 368 | 3, 4 | |
| Roswell, NM 88201 | 9, 10 | |
| | 11 | |
| Tenneco Oil Company | 16, 17 | Y |
| P.O. Box 2511 | | |
| Houston, TX 77001 | | |
| Ellen W. Wallingford | 1, 2 | Y |
| The Hallmark | 3, 4 | |
| 4718 Hallmark, #806 | | |
| Houston, TX 77056 | | |
| J. K. Wallingford, Jr. | 1, 2 | Y |
| Trustee, Estate of J.K. | 3, 4 | |
| Wallingford, Deceased | | |
| 800 Bank of the Southwest | | |
| Houston, TX 77002 | | |
| J. S. Ward | 5, 6 | Y |
| 101 South 4th | 7, 8 | |
| Artesia, NM 88210 | 13, 14 | |
| | 15 | |
| Lelia Koger Williams | 7, 8 | Y |
| Washburn | 20, 21 | |
| Box 38 | 22, 23 | |
| Nucla, CO 81424 | | |
| Erasmus W. Williams | 7, 8 | Y |
| 1512 Dartmouth Drive | 20, 21 | |
| Albuquerque, NM 87106 | 22, 23 | |

Joe C. Williams
Washington Avenue
Martinsburg, WV 26101

7, 8
20

Y

Williams

22

*

The Wiser Oil Co.
P.O. Box 192
Sistersville, WV 26175

12

Y

*We have no address on
file for any persons
shown with an asterisk.

PLEASE NOTE that none of
our mail-outs have
been returned, either
marked undeliverable or
addressee unknown.

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Charles H. Cole
James R. Cole
John S. Cole

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 8th day of December, 1983, by Charles H. Coll, Jon A. Coll and James M. Coll.

LeAnn Foutz
NOTARY PUBLIC
My commission expires: 12/8/83
PRINT NAME: LeAnn Foutz

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

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IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements,

George H. Etz
TRUSTEE OF ETZ SOUTHERN TRUST

George H. Etz
TRUSTEE FOR GEORGE H. ETZ SR. TRUST.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Midalgo §

The foregoing instrument was acknowledged before me this 9th day of December, 1983, by George H Eze Jr

Tobie Neller

NOTARY PUBLIC TOBIE NELLER
My commission expires: My Commission Expires
PRINT NAME: JUNE 18, 1985

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC _____
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Nov. 30, 1983

Lelia Lopez *William Wadburn*

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Colorado §

COUNTY OF Montrose §

The foregoing instrument was acknowledged before me this 30 day of November, 1983, by Helia Kager Washburn

Kelly Tamlinson
NOTARY PUBLIC
Montrose Co.
My commission expires: 6-1-86
PRINT NAME: Kelly Tamlinson

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

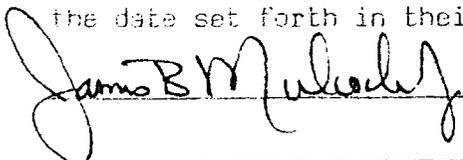
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §
COUNTY OF Bernalillo §

The foregoing instrument was acknowledged before me this 29th day of November, 1983, by James B. Mulcock, Jr.

Mary Roark
NOTARY PUBLIC
My commission expires: August 7, 1986
PRINT NAME: MARY ROARK

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 1983 by _____
President of _____, a corporation, on behalf of said corporation.

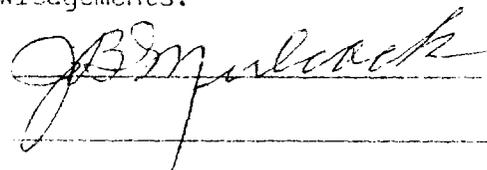
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Eddy §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by J. B. Mulcock.

Audie Ansell
NOTARY PUBLIC
My commission expires: July 7, 1984
PRINT NAME: AUDIE ANSELL

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Agnes Williams Mullock

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF EDDY §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by Agnes W Mulcock.

Addie Amstell
NOTARY PUBLIC
My commission expires: July 7, 1984
PRINT NAME: Addie Amstell

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Red Martin

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF EDDY §

The foregoing instrument was acknowledged before me this 12th day of December, 1983, by NEO MARTIN.

Audie Annell

NOTARY PUBLIC
My commission expires: July 7, 1983
PRINT NAME: Audie Annell

my

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Beth A. Cutsy
John R. Baker

THE WISER OIL COMPANY
BY: Milton G. Bailes
Milton G. Bailes, Vice-President

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF WEST VIRGINIA §

COUNTY OF TYLER §

The foregoing instrument was acknowledged before me this 1st day of December, 1983 by Milton G. Bailes, Vice-President of The Wiser Oil Company, a corporation, on behalf of said corporation.

B. C. Hicks
NOTARY PUBLIC
My commission expires: July 16, 1985
PRINT NAME: B. C. Hicks

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Mrs. Tillie Cleve Hoimes

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §
COUNTY OF Eddy §

The foregoing instrument was acknowledged before me this 8th day of December, 1983, by Mrs. Julia Anne Gonzales

Celia Gonzales
NOTARY PUBLIC
My commission expires: 07-11-87
PRINT NAME: Celia Gonzales

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements:

BRAILLE INSTITUTE OF AMERICA, INC.

BY: [Signature]

R. W. Kirbey, Exec. Director and

BY: [Signature]

Henry B. Jordan, President

ATTEST: [Signature]

Leslie E. Stocker, Jr., Development

Tax ID# 95-1641426 Director

CORPORATE ACKNOWLEDGMENT

NO. 202

State of California }
County of Los Angeles } SS.

On this the 8th day of December 1983, before me,

Anne C. Greiber

the undersigned Notary Public, personally appeared
R. W. Kirbey, Executive Director, Henry B. Jordan,
President, & Leslie E. Stocker, Jr., Development
Director

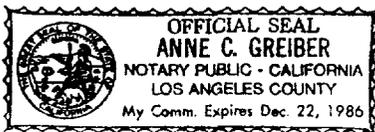
personally known to me

proved to me on the basis of satisfactory evidence

to be the person(s) who executed the within instrument as Braille Institute of America, Inc. or on behalf of the corporation therein

named, and acknowledged to me that the corporation executed it.
WITNESS my hand and official seal.

[Signature]
Notary's Signature



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____:

President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Esley Ann English,
Admin. Estate of
P. B. English, Jr.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF NM §
COUNTY OF S.A. §

The foregoing instrument was acknowledged before me this 4th day of January, 1984, by Sista Martinez.

 OFFICIAL SEAL
Sista A. Martinez
SISTA A. MARTINEZ
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires: 9-19-84
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

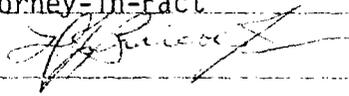
Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

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IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

TENNECO OIL COMPANY

H. J. Briscoe, Jr.
Attorney-in-Fact



SK #
[Handwritten initials]

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

Attorney-in-fact
CORPORATE ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Brewster §

This the foregoing instrument was acknowledged before me on January 4 1984 this _____ day of _____, 1983 by H. J. Brissac, Jr., President of an attorney-in-fact, a corporation, on behalf of said corporation: Texaco Oil Company.

Carol L. Clark
NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CAROL L. CLARK
Notary Public, State of Texas
My Commission Expires 4-15-85

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Georgie Mulcock Lutz

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Louisiana §
Parish
COUNTY OF East Baton Rouge §

The foregoing instrument was acknowledged before me this 31st day of December, 1983, by George M. Lutz.

Connie C. Polson
NOTARY PUBLIC
My commission expires: at death
PRINT NAME: Connie C. Polson

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Erasmus H. Williams

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Bernalillo §

The foregoing instrument was acknowledged before me this 30 day of November, 1983, by Erasmus W. Williams.

Laura L. Juarez
NOTARY PUBLIC
My commission expires: 6/10/86
PRINT NAME: Laura L. Juarez

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Rose M. Nottingham
Ind. Exec. of Will
Nottingham Estate

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Tom Green §

The foregoing instrument was acknowledged before me this 9th day of
March, 1983, by Rose M. Cottingham Ind. Exec. of V. E. Cottingham Est.



NOTARY PUBLIC LORA LEE FOX, Notary Public
My commission expires: _____ For Tom Green County, TX
PRINT NAME: _____ My Commission Expires 7-6-84

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof. *

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

ATLANTIC RICHFIELD COMPANY

BY: *[Signature]*

ATTORNEY IN FACT

AH
RTS
LK

* Notwithstanding the language in the last paragraph of Section 16 of the West Square Lake Unit Agreement to the contrary, Atlantic Richfield Company makes no warranties of title, either express or implied, as to its interest.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Midland §

The foregoing instrument was acknowledged before me this 11th day of January, 1984 by Billy C. Anderson, Attorney in Fact ~~President~~ of Atlantic Richfield Company, a corporation, on behalf of said corporation.

Yvonne Brooks
NOTARY PUBLIC
My commission expires: July 3, 1984
PRINT NAME: Yvonne Brooks

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

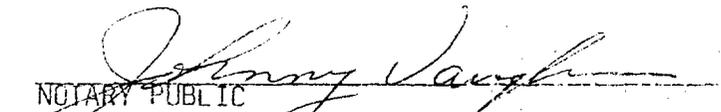
Charles Malcock

*Witness /
William F. Menden*

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §
COUNTY OF Otero §

The foregoing instrument was acknowledged before me this 20th day of January, 1984, by Charles Mulcock.


NOTARY PUBLIC
My commission expires: 7-21-85
PRINT NAME: Johnny Vaughn

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Oil Properties, Ltd. _____
Oil Properties, Ltd. _____
General Partner _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF NEW MEXICO §

COUNTY OF CHAVES §

The foregoing instrument was acknowledged before me this 9th day of January, 1984, ~~XXX~~, by Bonnie R. Etz, General Partner of Etz Oil Properties, Ltd.

Willey Echo Weathers
NOTARY PUBLIC
My commission expires: Feb. 1, 1987
PRINT NAME: Willey Echo Weathers.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ms. Patricia Ellen Peck Sykes

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Brazos §

The foregoing instrument was acknowledged before me this 28 day of November, 1983, by Lisa M. Schulz

Lisa M. Schulz
NOTARY PUBLIC
My commission expires: 10/19/87
PRINT NAME: Lisa M. Schultz

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

✓

John B. Davies

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 29th day of NOVEMBER, 1983, by JAMES B. FRANCIS.



NOTARY PUBLIC

My commission expires: 9/15/84

PRINT NAME: TEODORA M. BUMGARDNER

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Bessie C. Taylor

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by Ernest E Taylor.

Jane Andrus
NOTARY PUBLIC
My commission expires: 11-13-87
PRINT NAME: Jane Andrus

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

ATTEST: Paul J. Gaudin
Trust Officer

REPUBLICBANK DALLAS, N.A.
BY: Patricia Ann Coy
Asst. Vice President & Trust Officer

Trustee for the Selma E. Andrews Trust

#5188-00 Tax ID#75-6095965

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS

§

COUNTY OF DALLAS

§

The foregoing instrument was acknowledged before me this 28th day of February, 1983 by PATRICIA ANN COX ASSISTANT VICE PRESIDENT AND TRUST OFFICER
~~President~~ of RepublicBank Dallas, N.A., a corporation, on behalf of said corporation.

Sharon Greenwood
NOTARY PUBLIC
My commission expires: SHARON GREENWOOD, Notary Public
PRINT NAME: in and for the State of Texas
My Commission Expires 1-28-86

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

J. Ward

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Eddy §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by J. S. Ward.

Lessie M. Donaghey
NOTARY PUBLIC
My commission expires: 9-18-84
PRINT NAME: Lessie M. Donaghey

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Lucille A. Peterson

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 25 day of November, 1983, by W.L. Alexander Jr.

NOTARY PUBLIC

My commission expires: 6/30/84

PRINT NAME: W.L. ALEXANDER JR.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

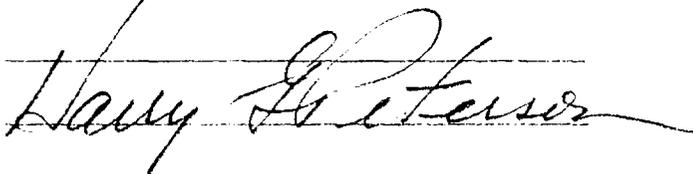
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

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IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF North Carolina §
COUNTY OF Polk §

The foregoing instrument was acknowledged before me this 25th day of November, 1983, by HARRY G Peterson.

Patricia Pruette
NOTARY PUBLIC
My commission expires: My Commission Expires March 4, 1986
PRINT NAME: PATRICIA PRUETTE

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Lena Mae Sparkman

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Oklahoma §

COUNTY OF Washington §

The foregoing instrument was acknowledged before me this 5th day of December, 1983, by Lena Mae Sparkman.

Patricia S. Parker

NOTARY PUBLIC

My commission expires: March 1990

PRINT NAME: Patricia S. Parker

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

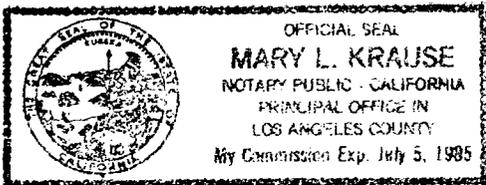
John R. Harwood

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF California §

COUNTY OF Los Angeles §

The foregoing instrument was acknowledged before me this 7th day of
December, 1983, by John R. Hanson.



Mary L. Krause

NOTARY PUBLIC
My Commission expires: July 5, 1985
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

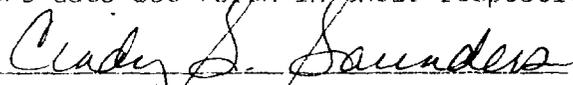
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.


Cindy S. Saunders


Roger H. Davis

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 6th day of
December, 1983, by ROGER H. DAVIS.

Mary S. Brower

NOTARY PUBLIC

My commission expires: June 30, 1984

PRINT NAME: Mary S. Brower

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

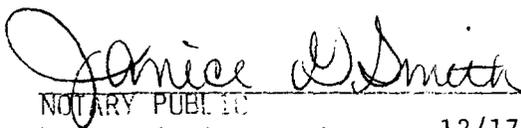
Grace A. Beckman

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF NEW MEXICO §

COUNTY OF CHAVES §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by Grace B. Bockman.



NOTARY PUBLIC

My commission expires: 12/17/83

PRINT NAME: Janice G. Smith

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

ATTEST:

Paul J. Gaddis
Trust Officer

REPUBLIC BANK DALLAS, N. A.

BY: Patricia Ann Cox
Asst. Vice President & Trust Officer

Cecile A. Peterson
Cecile A. Peterson

Co-Trustees U/W of Gilbert E.

Peterson Trust #7975-02

Tax ID#75-6239701

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §
COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 4 day of December, 1983, by W.L. Alexander Jr.

NOTARY PUBLIC
My commission expires: 6/84
PRINT NAME: W.L. ALEXANDER JR.

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 28th day of November, 1983 by PATRICIA ANN COX ASSISTANT VICE PRESIDENT AND TRUST OFFICER of RepublicBank Dallas, N.A., a corporation, on behalf of said corporation.

Sharon Greenwood
NOTARY PUBLIC
My commission expires: SHARON GREENWOOD, Notary Public
PRINT NAME: in and for the State of Texas.
My Commission Expires 1-28-86

CONSENT AND RATIFICATION

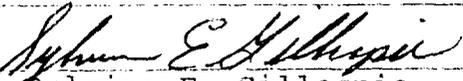
Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

ATTEST:

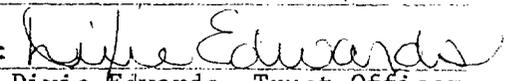
BY:


Sylvian E. Gillespie

Vice President & Senior Trust Officer

First Natl Bank of Roswell,
Trustee of the M. B. Leonard Trust

BY:


Dixie Edwards, Trust Officer

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF NEW MEXICO §

COUNTY OF LEA §

The foregoing instrument was acknowledged before me this 9th day of December, 1983 by Dixie Edwards, Trust Officer, ~~President~~ of First Natl Bank of Roswell, a corporation, on behalf of said corporation.

Diane Henderson
NOTARY PUBLIC
My commission expires: July 27, 1987
PRINT NAME: Diane Henderson

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Tommy June Robinson

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Tarrant §

The foregoing instrument was acknowledged before me this 16 day of December, 1983, by Tommye J. Robinson

Ann Gregory
NOTARY PUBLIC
My commission expires: 7-9-86
PRINT NAME: Ann Gregory

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ellen W. Wallingford

457-74-5246

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 13 day of December, 1983, by Allen W. Wainwright.

Ann Hazel
NOTARY PUBLIC
My commission expires: 9-4-85
PRINT NAME: ANN HAZEL

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

J.K. Wallingford TRUST
John R. Wallingford Trustee
Elben Wallingford
Martha H. Trust

75-6188390

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 13th day of December, 1983, by John R. Wallingford, Ellen Wallingford and Martha W. West, Trustees of J. K. Wallingford Trust.



NOTARY PUBLIC
My commission expires: 9/4/85
PRINT NAME: Ann Hazel

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Edna M. Crocker to her _____
He Thomas J. McCracken _____
Trust - Trust Deed _____
Dated - 3-9-83 _____

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF California §

COUNTY OF Contra Costa §

The foregoing instrument was acknowledged before me this 14 day of December, 1983, by Mary J. Ratto.



Mary J. Ratto
NOTARY PUBLIC
My commission expires: Nov. 6, 1987
PRINT NAME: Mary J. Ratto

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Barney L. Leonard
aka B Leonard

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF ARIZONA §

COUNTY OF PIMA §

The foregoing instrument was acknowledged before me this 21st day of
December, 1983, by Barney E. Leonard.



NOTARY PUBLIC
My commission expires: _____
PRINT NAME: Delora J. Martin

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

✓

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

W. W. Jack

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 20 day of January, 1984, by A. Vera Hays.



NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

MARILOU WRIGHT
Notary Public, State of Texas
My Commission Expires April 17, 1985

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Richard D. Wilson Cole

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Arizona §
COUNTY OF Maricopa §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by _____.

My Commission Expires May 26, 1987

Angelica Arispe
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: Angelica Arispe

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ernestine Chasser Williams

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 30 day of
November, 1983, by Ernestine Chesser Williams.

Lois M Morrison
NOTARY PUBLIC
My commission expires: February 1, 1987
PRINT NAME: Lois M. Morrison

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Marshall & Winston, Inc.
By William S. Marshall
William S. Marshall, President

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 1983, by _____.

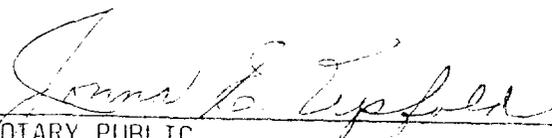
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Midland §

The foregoing instrument was acknowledged before me this 2nd day of December, 1983 by William S. Marshall, President of Marshall & Winston, Inc., a corporation, on behalf of said corporation.


NOTARY PUBLIC
My commission expires: 4-30-85
PRINT NAME: Jonna E. Upfold

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

George H. Humker, Jr.

J. J. Marshall

George H. Humker, Jr.

Charbel Y. Marshall

Dated: Nov. 28, 1983 -

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by I. J. MARSHALL & Charibel Y MARSHALL, his wife.

George H. Hunker, Jr.
NOTARY PUBLIC

My commission expires: 1-29-87

PRINT NAME: George H. HUNKER, Jr.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____.

President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

J. CLEO THOMPSON & JAMES CLEO THOMPSON, JR.
OIL PRODUCERS
4500 REPUBLIC NATIONAL BANK TOWER
DALLAS, TEXAS 75201

742-199

March 7, 1984

Chad Dickerson
Losee, Carson & Dickerson
300 American Home Building
Drawer 239
Artesia, New Mexico 88210

Dear Mr. Dickerson:

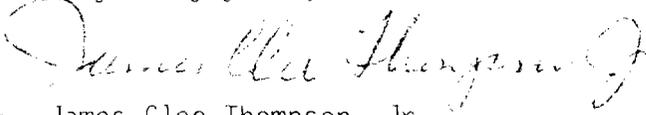
In response to the New Mexico Conservation Commission's request for information concerning J. Cleo Thompson's plan of development and economics on the proposed West Square Lake Unit, Eddy County, New Mexico, you are advised that we contemplate in our first stage of development this year the drilling of 5 wells at an average cost of \$160,000.00 per well, or a grand total of \$800,000.00.

Likewise, we plan on equipping these wells for primary production initially and after a given period of time (anticipated to be 12-30 months) four of the wells will be converted to injection at an additional cost of \$20,000.00 per well, making a grand development cost of \$880,000.00. We anticipate the 5 wells producing 20,000 barrels of oil prior to conversion to water injection (a total of 100,000 barrels) at a value of \$25.50 after all taxes, which is equal to \$2,550,000.00 gross, less royalties and overriding royalties of 17% (or \$433,500.00) leaving a gross revenue to the working interest owners of \$2,116,500.00.

Of course, at this time it is expected that operating expenses are anticipated to be approximately \$800.00 per well per month prior to the water injection. After water injection is commenced on the 4 injection wells it is anticipated the 5-spot pattern will ultimately produce an additional 80,000 barrels of oil at a value of \$25.50 or \$2,040,000.00 gross. After royalties and overriding royalties of 17%, the gross revenue to the working interest owners would be \$1,693,200.00.

This information might best be given by Mr. Toxie E. Beavers at hearing schedule for Wednesday, March 14, 1984.

Very truly yours,


James Cleo Thompson, Jr.

JCT/mw

cc: Ernie Pinnell

J. CLEO THOMPSON AND JAMES
CLEO THOMPSON, JR., a partnership
Case No. 7945
4/11/84 Examiner Hearing
Exhibit No. 4

EX-117-100-1-5

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Charles H. Cole
James D. Cole
James D. Cole

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 8th day of December, 1983, by Charles H. Coll, Jon J. Coll and James W. Coll.

LeAnn Foutz
NOTARY PUBLIC
My commission expires: 12/8/83
PRINT NAME: LeAnn Foutz

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

George H. Etz
TRUSTEE OF ETZ SOUTHERN TRUST

George H. Etz
TRUSTEE FOR GEORGE H. ETZ SR. TRUST.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Hidalgo §

The foregoing instrument was acknowledged before me this 9th day of December, 1983, by George H. Eyz Jr.

Tobie Neller

NOTARY PUBLIC TOBIE NELLER
My commission expires: My Commission Expires
PRINT NAME: JUNE 18, 1985

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____,

President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC _____
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Nov. 30, 1983

Lelia Lopez Williams Washburn

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Colorado §

COUNTY OF Montrose §

The foregoing instrument was acknowledged before me this 30 day of November, 1983, by Lelia Koger Washburn

Kelly Tamlinson
NOTARY PUBLIC
Montrose Co.
My commission expires: 6-1-86
PRINT NAME: Kelly Tamlinson

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

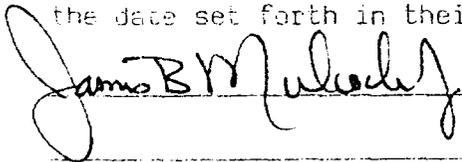
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Bernalillo §

The foregoing instrument was acknowledged before me this 29th day of November, 1983, by James B. Mulcock, Jr.

Mary Roark
NOTARY PUBLIC
My commission expires: August 7, 1986
PRINT NAME: MARY ROARK

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

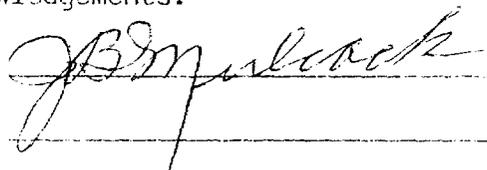
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Eddy §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by J. B. Mulcock.

Addie Ansell
NOTARY PUBLIC
My commission expires: July 2, 1984
PRINT NAME: ADDIE ANSELL

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Agnes Williams M. Cook

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF EDDY §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by AARON W MULLOCK.

Ardie Annell
NOTARY PUBLIC
My commission expires: July 7, 1984
PRINT NAME: ARDE ANNELL

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

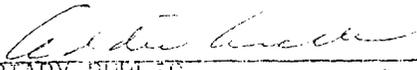
Red Martin

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF NEW MEXICO §

COUNTY OF EDDY §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by NEO MARTIN.

my

NOTARY PUBLIC
My commission expires: July 7, 1983
PRINT NAME: Addie Amsick

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Beth A. Cutsy
John R. Baker

THE WISER OIL COMPANY
BY: Milton G. Bailes
Milton G. Bailes, Vice-President

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF WEST VIRGINIA §

COUNTY OF TYLER §

The foregoing instrument was acknowledged before me this 1st day of December, 1983 by Milton G. Bailes, Vice-President of The Wiser Oil Company, a corporation, on behalf of said corporation.

B. C. Hicks

NOTARY PUBLIC
My commission expires: July 16, 1985
PRINT NAME: B. C. Hicks

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Mrs Tillie Cleve Guzman

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §
COUNTY OF Eddy §

The foregoing instrument was acknowledged before me this 8th day of December, 1983, by Mrs. Julie Anne Burrows

Celia Gonzales
NOTARY PUBLIC
My commission expires: 07-11-87
PRINT NAME: Celia Gonzales

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements:

BRAILLE INSTITUTE OF AMERICA, INC.

BY: R. W. Kirbey
R. W. Kirbey, Exec. Director and

BY: Henry B. Jordan
Henry B. Jordan, President

ATTEST: Leslie E. Stocker, Jr.
Leslie E. Stocker, Jr., Development
Tax ID# 95-1641426
Director

CORPORATE ACKNOWLEDGMENT

NO. 202

State of California }
County of Los Angeles } SS.

On this the 8th day of December 1983, before me,

Anne C. Greiber

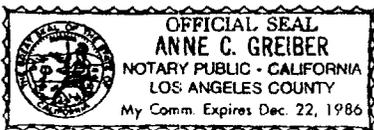
the undersigned Notary Public, personally appeared
R. W. Kirbey, Executive Director, Henry B. Jordan,
President, & Leslie E. Stocker, Jr., Development
Director

personally known to me

proved to me on the basis of satisfactory evidence

to be the person(s) who executed the within instrument as Braille
Institute of America, Inc. or on behalf of the corporation therein

named, and acknowledged to me that the corporation executed it.
WITNESS my hand and official seal.



Anne C. Greiber
Notary's Signature

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Evelyn Ann English,
Admin. Estate of
P. B. English, Jr.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF N.M. §

COUNTY OF S.A. §

The foregoing instrument was acknowledged before me this 4th day of January, 1987, by Sista Martinez.

 SPECIAL SEAL
Sista A. Martinez
SISTA A. MARTINEZ
NOTARY PUBLIC - STATE OF NEW MEXICO
NOTARY PUBLIC
My commission expires: 9-28-88
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

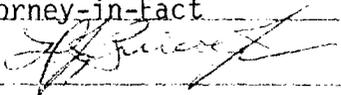
Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

TENNECO OIL COMPANY

H. J. Briscoe, Jr.
Attorney-in-Fact



SK #
17MB
B2
JSH

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

Attorney-in-Fact
CORPORATE ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Brewer §

This ~~The~~ foregoing instrument was acknowledged before me on January 4, 1984 ~~this~~ _____ day of _____, 1983 by H. J. Briscoe, Jr.

~~President of~~ as attorney-in-fact, a ~~corporation~~, on behalf of ~~said corporation~~. Texaco Oil Company.

Carol L. Clark
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CAROL L. CLARK
Notary Public, State of Texas
My Commission Expires 4-15-85

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Georgie Mulcock Lutz

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Louisiana §
Parish COUNTY OF East Baton Rouge §

The foregoing instrument was acknowledged before me this 31st day of December, 1983, by George M. Lutz.

Connie C. Polson
NOTARY PUBLIC
My commission expires: at death
PRINT NAME: Connie C. Polson

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ernestus W. Williams

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Bernalillo §

The foregoing instrument was acknowledged before me this 30 day of November, 1983, by Erasmus W. Williams.

Laura L. Juarez
NOTARY PUBLIC
My commission expires: 6/10/86
PRINT NAME: Laura L. Juarez

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

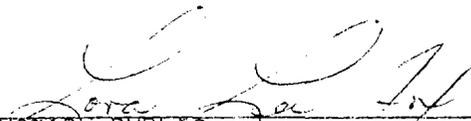
Rose M. Nottingham
Ind. Exec. of Will
Nottingham Estate

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Tom Green §

The foregoing instrument was acknowledged before me this 9th day of March, 1983, by Rose M. Cottingham Ind. Exec. of V. E. Cottingham Est.



NOTARY PUBLIC LORNA LEE FOX, Notary Public
My commission expires: 1-6-84 For Tom Green County, TX
PRINT NAME: _____ Commission Expires 1-6-84

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

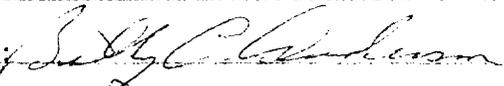
CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof. *

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

ATLANTIC RICHFIELD COMPANY

BY: 

ATTORNEY IN FACT

AH
BTB
UK

* Notwithstanding the language in the last paragraph of Section 16 of the West Square Lake Unit Agreement to the contrary, Atlantic Richfield Company makes no warranties of title, either express or implied, as to its interest.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Midland §

The foregoing instrument was acknowledged before me this 11th day of January, 1984 by Billy C. Anderson, Attorney in Fact ~~President~~ of Atlantic Richfield Company, a corporation, on behalf of said corporation.

Yvonne Brooks
NOTARY PUBLIC
My commission expires: July 3, 1984
PRINT NAME: Yvonne Brooks

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Charles Malcock

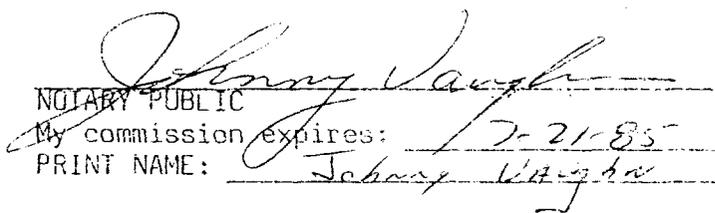
*Witness /
William E. Menden*

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Otero §

The foregoing instrument was acknowledged before me this 20th day of January, 1984, by Charles Muleck.


NOTARY PUBLIC

My commission expires: 7-21-85

PRINT NAME: Johnny Vaughn

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

R. L. Oil Properties, Ltd.
By: Dennis R. St.
General Agent

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF NEW MEXICO §
COUNTY OF CHAVES §

The foregoing instrument was acknowledged before me this 9th day of January, 1984, ~~XXX~~, by Bonnie R. Etz, General Partner of Etz Oil Properties, Ltd.

Willey Echo Weathers
NOTARY PUBLIC
My commission expires: Feb. 1, 1987
PRINT NAME: Willey Echo Weathers.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Mrs. Patricia Ellen Peck Giffen

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Brazos §

The foregoing instrument was acknowledged before me this 28 day of November, 1983, by Lisa M. Schulz

Lisa M. Schulz
NOTARY PUBLIC
My commission expires: 10/19/87
PRINT NAME: Lisa M. Schultz

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

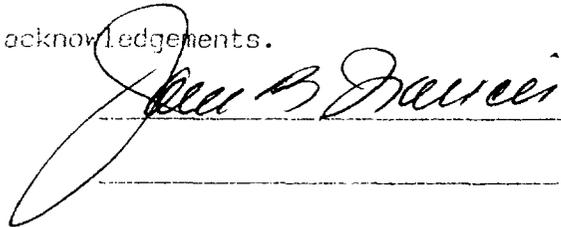
CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

✓



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 29th day of
NOVEMBER, 1983, by JAMES B. FRANCIS.



NOTARY PUBLIC

My commission expires: 9/15/84

PRINT NAME: TEODORA M. BUMGARDNER

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ernest C. Taylor

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §
COUNTY OF Alameda §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by Ernest E Taylor.

Jane Andrews
NOTARY PUBLIC
My commission expires: 11-13-87
PRINT NAME: Jane Andrews

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

ATTEST: Paul J. Gaudin
Trust Officer

REPUBLICBANK DALLAS, N.A.
BY Patricia Ann Cox
Asst. Vice President & Trust Officer

Trustee for the Selma E. Andrews Trust

#5188-00 Tax ID#75-6095965

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 28th day of November, 1983 by PATRICIA ANN COX **ASSISTANT VICE PRESIDENT AND TRUST OFFICER**
~~President~~ of **RepublicBank Dallas, N.A.**, a corporation, on behalf of said corporation.

Sharon Greenwood
NOTARY PUBLIC
My commission expires: SHARON GREENWOOD, Notary Public
PRINT NAME: in and for the State of Texas
My Commission Expires 1-28-86.

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

J. Ward

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Eddy §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by J. S. Ward.

Lessie M. Donaghey
NOTARY PUBLIC
My commission expires: 9-18-84
PRINT NAME: Lessie M. Donaghey

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Carole A. Peterson

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 25 day of November, 1983, by W.L. Alexander Jr.

NOTARY PUBLIC

My commission expires: 6/30/84

PRINT NAME: W.L. ALEXANDER JR.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

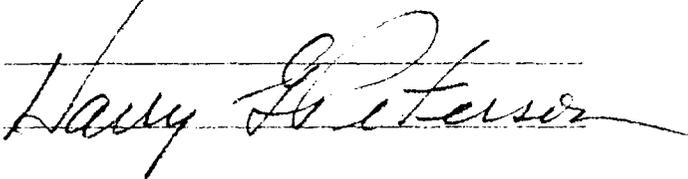
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

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IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

 _____

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF North Carolina §
COUNTY OF Polk §

The foregoing instrument was acknowledged before me this 25th day of November, 1983, by HARRY G. Peterson.

Patricia Pruette

NOTARY PUBLIC

My commission expires: My Commission Expires March 4, 1986

PRINT NAME: PATRICIA PRUETTE

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Lena Mae Sparkman _____

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Arkansas §
COUNTY OF Washington §

The foregoing instrument was acknowledged before me this 5th day of December, 1983, by Lena Mae Spaskman.

Patricia S. Parker
NOTARY PUBLIC
My commission expires: March 6, 1990
PRINT NAME: Patricia S. Parker

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

John R. Kincaid

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF California §

COUNTY OF Los Angeles §

The foregoing instrument was acknowledged before me this 7th day of
December, 1983, by John R. Hanson.



Mary L. Krause

NOTARY PUBLIC
My commission expires: July 5, 1985
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

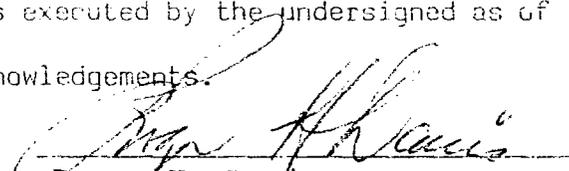
CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.


Cindy S. Saunders


Roger H. Davis

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 6th day of
December, 1983, by ROGER H. DAVIS.

Mary S. Brower

NOTARY PUBLIC

My commission expires: June 30, 1984

PRINT NAME: Mary S. Brower

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

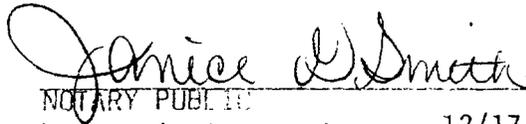
Grace R. Beckman

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF NEW MEXICO §

COUNTY OF CHAVES §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by Grace B. Bockman.



NOTARY PUBLIC

My commission expires: 12/17/83

PRINT NAME: Janice G. Smith

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of

the date set forth in their respective acknowledgements.

ATTEST:

Paul J. Gaddis
Trust Officer

REPUBLIC BANK DALLAS, N. A.

BY: *Patricia Ann Cox*
Asst. Vice President & Trust Officer

Cecile A. Peterson
Cecile A. Peterson

Co-Trustees U/W of Gilbert E.

Peterson Trust #7975-02

Tax ID#75-6239701

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 4 day of December, 1983, by W L Alexander Jr.

NOTARY PUBLIC

My commission expires: 6/84

PRINT NAME: W L ALEXANDER JR

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me this 28th day of November, 1983 by PATRICIA ANN COX ASSISTANT VICE PRESIDENT AND TRUST OFFICER of RepublicBank Dallas, N.A., a corporation, on behalf of said corporation.

Sharon Greenwood
NOTARY PUBLIC

My commission expires: SHARON GREENWOOD, Notary Public
PRINT NAME: in and for the State of Texas
My Commission Expires 1-28-86

CONSENT AND RATIFICATION

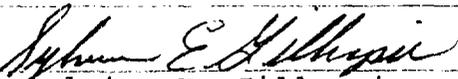
Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

ATTEST:

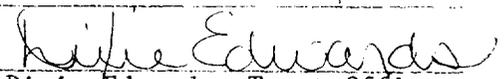
BY:



Sylvian E. Gillespie
Vice President & Senior Trust Officer

First Natl Bank of Roswell,
Trustee of the M. B. Leonard Trust

BY:



Dixie Edwards, Trust Officer

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF NEW MEXICO §

COUNTY OF LEA §

The foregoing instrument was acknowledged before me this 9th day of December, 1983 by Dixie Edwards, Trust Officer ~~President~~ of First Natl Bank of Roswell, a corporation. on behalf of said corporation.

Diane Henderson
NOTARY PUBLIC
My commission expires: July 27, 1987
PRINT NAME: Diane Henderson

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Sammy June Castillon

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Tarrant §

The foregoing instrument was acknowledged before me this 16 day of December, 1983, by Tommie J. Robinson

Ann Gregory
NOTARY PUBLIC
My commission expires: 7-9-86
PRINT NAME: Ann Gregory

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ellen W. Wallingford

457-74-5246

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 13 day of December, 1983, by Allen W. Wainwright.

Ann Hazel
NOTARY PUBLIC
My commission expires: 9-4-85
PRINT NAME: ANN HAZEL

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

J.K. Wallingford Trust
John R. Wallingford Trustee
Elben Wallingford
Martha H. Trust

75-6188390

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me this 13th day of December, 1983, by John R. Wallingford, Ellen Wallingford and Martha W. West, Trustees of J. K. Wallingford Trust.



NOTARY PUBLIC
My commission expires: 9/4/85
PRINT NAME: Ann Hazel

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Charles M. Landon for _____
The Thomas J. McEwen _____
Trust - Landon Road _____
Dated - 3-9-83 _____

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF California §

COUNTY OF Contra Costa §

The foregoing instrument was acknowledged before me this 14 day of
December, 1983, by Mary J. Ratto.



Mary J. Ratto

NOTARY PUBLIC
My commission expires: Nov. 6, 1987
PRINT NAME: Mary J. Ratto

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Arroyo E. Leonard
a.k.a. B. Leonard

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF ARIZONA §

COUNTY OF PIMA §

The foregoing instrument was acknowledged before me this 21st day of December, 1983, by Barney E. Leonard.



NOTARY PUBLIC
My commission expires: _____
PRINT NAME: Delora J. Martin

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

✓

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

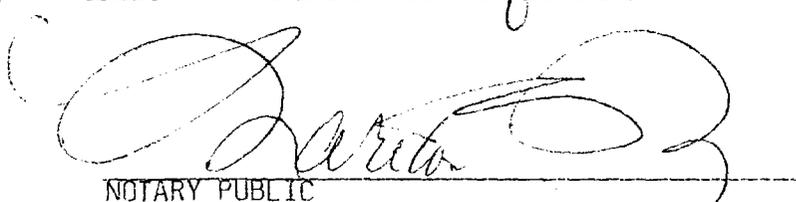
W. W. [Signature]

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF Dallas §

The foregoing instrument was acknowledged before me this 20 day of January, 1984, by A. Vera Hayes.



NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

MARILOU WRIGHT
Notary Public, State of Texas
My Commission Expires April 17, 1985

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Walter C. Cole

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Arizona §
COUNTY OF Maricopa §

The foregoing instrument was acknowledged before me this 1st day of December, 1983, by _____.

My Commission Expires May 26, 1987

Angelica Arispe
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: Angelica Arispe

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____, President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Ernestine Chesser Williams

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §
COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 30 day of
November, 1983, by Ernestine Chesser Williams.

Lois M. Morrison
NOTARY PUBLIC
My commission expires: February 1, 1987
PRINT NAME: Lois M. Morrison

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983 by _____,
President of _____, a corporation, on
behalf of said corporation.

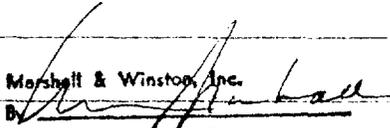
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

Marshall & Winston, Inc.
By 
William S. Marshall, President

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983, by _____.

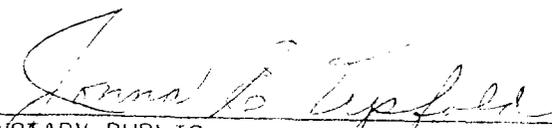
NOTARY PUBLIC
My commission expires: _____
PRINT NAME: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF Texas §

COUNTY OF Midland §

The foregoing instrument was acknowledged before me this 2nd day of December, 1983 by William S. Marshall, President of Marshall & Winston, Inc., a corporation, on behalf of said corporation.



NOTARY PUBLIC
My commission expires: 4-30-85
PRINT NAME: Jonna E. Upfold

CONSENT AND RATIFICATION

Unit Agreement for the
West Square Lake Unit Area
Eddy County, New Mexico

The undersigned (whether one or more), hereby acknowledge receipt of a copy of the Unit Agreement for the development and operation of the West Square Lake Unit Area embracing lands situated in Eddy County, New Mexico, which said Agreement is dated November 15, 1982, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of overriding royalty interests being committed to said Unit Agreement do hereby consent to said Unit Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

George S. Humber

J. Marshall

George S. Humber, Jr.

Charibel Y. Marshall

Dated: Nov. 28, 1983 -

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The foregoing instrument was acknowledged before me this 28th day of November, 1983, by I. J. MARSHALL & Charibely MARSHALL, his wife.

George H. Hunker, Jr.
NOTARY PUBLIC

My commission expires: 1-29-87

PRINT NAME: George H. HUNKER, JR.

CORPORATE ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1983 by _____;

President of _____, a corporation, on behalf of said corporation.

NOTARY PUBLIC

My commission expires: _____

PRINT NAME: _____

| Tract | Lease | RI | ORI | Participation | RI | ORI |
|---------------|-----------|-------|----------|---------------|------------|------------|
| 1 | NM 02425 | 12.5 | 6.25 | .061402 | 7675250 | 38376250 |
| 2 | NM 02425 | 12.5 | 6.25 | .054644 | 6830500 | 34152500 |
| 3 | NM 02425 | 12.5 | 6.25 | .025782 | 3227750 | 16113750 |
| 4 | NM 02425 | 12.5 | 6.25 | .014463 | 1807875 | 9039375 |
| 5 | LC 063926 | 12.5 | 1.82698 | .030946 | 3868250 | 05653772 |
| 6 | LC 063926 | 12.5 | 1.84373 | .110582 | 13822750 | 20388351 |
| 7 | LC 063926 | 12.5 | 4.96355 | .014128 | 1766000 | 07012503 |
| 8 | LC 063926 | 12.5 | 5.000 | .012251 | 1531375 | 06125500 |
| 9 | LC 060325 | 12.5 | 6.25 | .102669 | 12833625 | 64168125 |
| 10 | LC 060325 | 12.5 | 6.25 | .017914 | 2239250 | 11196250 |
| 11 | LC 060325 | 12.5 | 6.25 | .041941 | 5242625 | 24013125 |
| 12 | LC 063926 | 12.5 | - | .038421 | 4802625 | - |
| 13 | NM 02427 | 12.5 | 4.06252 | .065022 | 8127750 | 26415318 |
| 14 | NM 02427 | 12.5 | 1.875 | .051697 | 6462125 | 09693188 |
| 15 | NM 02427 | 12.5 | 6.25 | .095057 | 11882125 | 59410625 |
| Total Federal | | | | | 92114875 | 331758632 |
| | | | | | 9.21970 | 3.32970 |
| 16 | B-2175-10 | 12.5 | 5.46875 | .013965 | 1745625 | 07637109 |
| 17 | B-2175-10 | 12.5 | 5.46875 | .004016 | 0502000 | 02196250 |
| 18 | B-3006-24 | 12.5 | - | .009265 | 1158125 | - |
| 19 | B-3006-24 | 12.5 | - | .008872 | 1109000 | - |
| 20 | B-3635-39 | 12.5 | 10.62499 | .058485 | 7310025 | 62140254 |
| 21 | B-3635-39 | 12.5 | 9.64843 | .058087 | 7260875 | 56044835 |
| 22 | B-3635-39 | 12.5 | 9.375 | .022732 | 2841500 | 21311250 |
| 23 | B-3635-39 | 12.5 | 10.00 | .022436 | 2804500 | 22436000 |
| 24 | B-6672-2 | 12.5 | - | .056695 | 7086875 | - |
| 25 | V-733 | 16.66 | - | .008528 | 1421333 | - |
| Total State | | | | | 3.3240458 | 1.71765698 |
| GRAND TOTAL | | | | | 12.5355333 | 5.05524330 |

J. CLEO THOMPSON AND
 JAMES CLEO THOMPSON, JR.
 Case No. 7945
 10/12/83 Examiner Hearing
 Exhibit No. 4

J. CLEO THOMPSON AND JAMES
CLEO THOMPSON, JR., a partnership

Case No. 7945

4/11/84 Examiner Hearing

Exhibit No. 3

ROYALTY, OVERRIDING ROYALTY AND PRODUCTION PAYMENT PARTICIPATION SCHEDULE

| TRACT | TOTAL | | PARTICIPATION | | NOT | | TOTAL | | NOT | |
|-------|------------|------------|---------------|------------|---------------|------------|---------------|----------|---------------|----------|
| | RI/ORI/PPI | RATIFIED | PARTICIPATION | RATIFIED | PARTICIPATION | RATIFIED | PARTICIPATION | RATIFIED | PARTICIPATION | RATIFIED |
| 1 | .187500000 | .157500000 | .061402 | .030000000 | .011512875 | .009670815 | .001842060 | | | |
| 2 | .187500000 | .157500000 | .054644 | .030000000 | .010245750 | .008606430 | .001639320 | | | |
| 3 | .187500000 | .157500000 | .025782 | .030000000 | .004834125 | .004060665 | .000773460 | | | |
| 4 | .187500000 | .157500000 | .014463 | .030000000 | .002711812 | .002277922 | .000433890 | | | |
| 5 | .143269800 | .138426000 | .030946 | .004843800 | .004433627 | .004283731 | .000149896 | | | |
| 6 | .143437300 | .138593600 | .110582 | .004843700 | .015861583 | .015325957 | .000535626 | | | |
| 7 | .174635500 | .169323000 | .014128 | .005312500 | .002467250 | .002392195 | .000075055 | | | |
| 8 | .175000000 | .170156300 | .012251 | .004843700 | .002143925 | .002084584 | .000059341 | | | |
| 9 | .187500000 | .172500000 | .102669 | .015000000 | .019250437 | .017710402 | .001540035 | | | |
| 10 | .187500000 | .172500000 | .017914 | .015000000 | .003358875 | .003090165 | .000268710 | | | |
| 11 | .187500000 | .172500000 | .041941 | .015000000 | .007863937 | .007234822 | .000629115 | | | |
| 12 | .126738282 | .125326563 | .038421 | .001411719 | .004869411 | .004815172 | .000054239 | | | |
| 13 | .165625200 | .152165100 | .065022 | .013460100 | .010769281 | .009894079 | .000875202 | | | |
| 14 | .143750000 | .138906200 | .051697 | .004843800 | .007431443 | .007181034 | .000250409 | | | |
| 15 | .187500000 | .182656200 | .095057 | .004843800 | .017823187 | .017362750 | .000460437 | | | |
| 16 | .179687500 | .179687500 | .013965 | -- | .002509335 | .002509335 | -- | | | |
| 17 | .179687500 | .179687500 | .004016 | -- | .000721625 | .000721625 | -- | | | |
| 18 | .125000000 | .125000000 | .009265 | -- | .001158125 | .001158125 | -- | | | |
| 19 | .125000000 | .125000000 | .008872 | -- | .001109000 | .001109000 | -- | | | |
| 20 | .231249900 | .177093200 | .058485 | .054166700 | .013524650 | .010356711 | .003167939 | | | |
| 21 | .221484300 | .167317600 | .058087 | .054166700 | .012865358 | .009718977 | .003146381 | | | |
| 22 | .218750000 | .146484300 | .022732 | .072265700 | .004972625 | .003329882 | .001642743 | | | |

| TRACT | TOTAL | | TRACT PARTICIPATION | NOT RATIFIED | | TOTAL | | NOT RATIFIED |
|-------|------------|------------|---------------------|--------------|-------------------|-------------------|--------------------|--------------|
| | RI/ORI/PPI | RATIFIED | | RATIFIED | PARTICIPATION | RATIFIED | RATIFIED | |
| 23 | .225000000 | .146484300 | .022436 | .078515700 | .005048100 | .003286522 | .001761578 | |
| 24 | .125000000 | .125000000 | .056695 | -- | .007086875 | .007086875 | -- | |
| 25 | .125000000 | .125000000 | .008528 | -- | .001066000 | .001066000 | -- | |
| | | | TOTALS | | <u>.175639211</u> | <u>.156333775</u> | <u>*.019305436</u> | |

Percentage Ratified: 89.00847%
Percentage Not Ratified: 10.99153%

100.00000%

*Although diligent search and inquiry has been made, the following parties whereabouts are unknown, and their interests in the unit area are as follows:

| <u>Name</u> | <u>Tract</u> | <u>Interest</u> | <u>Tract Participation</u> | <u>Total</u> | |
|--------------|---------------------|-----------------|----------------------------|--------------|-------------------|
| Iudora Kille | 1 | .0250000 | .061402 | .001535050 | |
| | 2 | .0250000 | .054644 | .001366100 | |
| | 3 | .0250000 | .025782 | .000644550 | |
| | 4 | .0250000 | .014463 | .000361575 | |
| | 9 | .0100000 | .102669 | .001026690 | |
| | 10 | .0100000 | .017914 | .000179140 | |
| | 11 | .0100000 | .041941 | .000419410 | |
| | Roy A. Williams | 22 | .0312500 | .022732 | .000710375 |
| | Toy English Marquez | 13 | .0006620 | .065022 | .000043045 |
| | Michael L. English | 13 | .0002632 | .065022 | <u>.000017114</u> |
| | | | | | <u>.006303049</u> |

Therefore, the total of non-ratified interests would be .013002387, representing 7.4028954%, rather than 10.99153%, and the ratified interest would equal .162636824, or 92.5971046%.

20 State - Hover "A"
 NE/4 NE/4 Section 2,
 T-17-S, R-30-E, N.M.P.M.

40 B-3635-39
 12/10/34

State of New Mexico
 12-1/2% on all oil
 and gas produced

J. Cleo Thompson, Sr.

John Hanson
 2.08333%

Marilou Wright
 .25000%

Joseph Wm. Foran
 4.41667%

Wendene Foran, for
 life, with remainder
 to Joseph Wm. Foran
 .25000%

Ronda Pulliam, for
 life, with remainder
 to Joseph Wm. Foran
 .25000%

Donda Thomasson, for
 life, with remainder
 to Joseph Wm. Foran
 .25000%

Tillie Cleve Grimes
 .39063%

Lelia Williams Kroger
 .19531%

Ned Martin
 .39063%

Agnes Williams Mulcock
 .19531%

J. B. Mulcock
 1.17187%

Erasmus W. Williams
 .19531%

Georgia Mulcock Lutz
 .13021%

James B. Mulcock
 .13021%

Charles W. Mulcock
 .13021%

Ernestine Chesser
 Williams
 .06510%

Lena Mae Sparkman
 .06510%

Lelia Williams Kroger
 .06510%

J. Cleo Thompson &
 James Cleo Thompson,
 Jr., a partnership
 66.66700%

Sam Lett
 16.66700%

I & T Development
 16.66600%

J. CLEO THOMPSON AND JAMES
 CLEO THOMPSON, JR., a partnership
 Case No. 7945
 4/11/84 Examiner Hearing
 Exhibit No. 5

21 State - Hover "B"
NW/4 NE/4 Section 2,
T-17-S, R-30-E, N.M.F.M.

40 B-3635-39
12/10/34
State of New Mexico
12-1/2% on all oil
and gas produced

J. Cleo Thompson, Sr.

John Hanson
2.08333%

J. Cleo Thompson &
James Cleo Thompson,
Jr., a partnership
66.66700%

MariLou Wright
.25000%

Sam Lett

Joseph Wm. Foran
4.41667%

16.66700%

Wendene Foran, for
life, with remainder
to Joseph Wm. Foran
.25000%

I & L Development
16.66600%

Ronda Pulliam, for
life, with remainder
to Joseph Wm. Foran
.25000%

Donda Thomasson, for
life, with remainder
to Joseph Wm. Foran
.25000%

J. B. Mulcock
1.17187%

Lelia Williams Kroger
.19531%

J. Cleo Thompson &
James Cleo Thompson,
Jr., a partnership
66.66700%

Erasmus W. Williams
.19531%

Sam Lett
16.66700%

Agnes Williams Mulcock
.19531%

Ned Martin
.39063%

22 Merrill State "A"
NE/4 NW/4 Section 2,
T-17-S, R-30-E, N.M.P.M.

40 B-3635-39
12/10/34
State of New Mexico
12-1/2% on all oil
and gas produced

J. Cleo Thompson, Sr.

J. B. Mulcock
1.17187%

J. Cleo Thompson &
James Cleo Thompson,
Jr., a partnership
66.66700%

Boyd Williams
.19531%

Sam Lett
16.66700%

Leila Williams Kroger
.19531%

Sam Lett
16.66700%

Erasmus W. Williams
.19531%

I & L Development
16.66600%

Agnes Williams Mulcock
.19531%

Bernard Cleve
.39063%

Evans T. Williams
.39063%

Ned Martin
.39063%

23 Merrill State "B"
NW/4 NW/4 Section 2,
T-17-E, R-30-E, N.M.P.M.

40 B-3635-39
12/10/34

State of New Mexico
12-1/2% on all oil
and gas produced

J. Cleo Thompson, Sr.

Irene Cowell
3.12500%
Roy Williams and Letha
May Williams, as joint
tenants
3.12500%

J. B. Mulcock
1.17187%
Boyd Williams, Jr.
.19531%
Lelia Williams Kroger
.19531%
Erasmus W. Williams
.19531%
Agnes Williams Mulcock
.19531%
Bernard Cleve
.39063%
Evans T. Williams
.39063%
Ned Martin
.39063%
Joseph Wm. Foran
3.12500%
Vera Merrill Stoneham
1.04167%
M. H. Harvey, Trustee
1.04166%
John S. Merrill
1.04167%
T. E. Brown
.46875%
C. W. Brown
.15625%

J. Cleo Thompson &
James Cleo Thompson,
Jr., a Partnership
66.66700%
Sam Lett
16.66700%
I & L Development
16.66600%

24 State - Tidewater
W/2 SE/4, SE/4 SE/4,
NW/4 SW/4 Section 36,
T-16-S, R-30-E, N.M.P.M.

160 B-6672-6
09/10/36

State of New Mexico
12-1/2% on all oil
and gas produced

J. Cleo Thompson, Sr.

NONE

J. Cleo Thompson &
James Cleo Thompson,
Jr., a Partnership
66.66700%
Sam Lett
16.66700%
I & L Development
16.66600%

25 New Jackson State
SE/4 SW/4 Section 36,
T-16-S, R-30-E, N.M.P.M.

40 V-733
05/17/83

State of New Mexico
16.6% on all oil
and gas produced

J. Cleo Thompson &
James Cleo Thompson,
Jr., a partnership

NONE

J. Cleo Thompson &
James Cleo Thompson,
Jr., a partnership
66.66700%
Sam Lett
16.66700%
I & L Development
16.66600%

TOTAL STATE LANDS 560 acres 16.867470% of Unit

EXHIBIT C
TRACT AND TRACT PARTICIPATION
Proposed West Square Lake Grayburg-San Andres Water Flood Unit

| TRACT # | DESCRIPTION OF LEASES AND WELLS | # OF ACRES | PER CENT | CUM. PROD. TO 1-1-60 | PER CENT - LAST 6 MOS. '82 | CURRENT PRODUCTION | PER CENT | TRACT PARTICIPATION |
|---------|--|------------|----------|-------------------------|-------------------------------|-----------------------|----------|------------------------|
| 1 | Evans 1-2-3-4-13 | 200 | .060241 | 131264 | .056591 | 1968 | .067374 | .061402 |
| 2 | Evans "A" 5-6-7-8-10-11 | 240 | .072288 | 181123 | .078087 | 396 | .013557 | .054644 |
| 3 | Evans "B" 9-12 | 80 | .024096 | 48867 | .021068 | 940 | .032181 | .025782 |
| 4 | Evans "C" 14-15 | 80 | .024096 | 36811 | .015871 | 100 | .003423 | .014463 |
| 5 | George Etz 1-8-14-15 | 160 | .048194 | 80687 | .034786 | 288 | .009859 | .030946 |
| 6 | George Etz "A" 2-3-4-5-6-7-13-16-17 | 320 | .096385 | 221861 | .095651 | 4081 | .139712 | .110582 |
| 7 | George Etz "B" 9-10 | 80 | .024096 | 36071 | .015551 | 80 | .002738 | .014128 |
| 8 | George Etz "C" 11-12 | 80 | .024096 | 29360 | .012658 | 0 | 0 | .012251 |
| 9 | Leonard "E" 1-2-3-4-5-8-13-14 | 320 | .096385 | 251777 | .108548 | 3011 | .103081 | .102669 |
| 10 | Leonard "B" 7-9 | 160 | .048194 | 5329 | .002297 | 95 | .003252 | .017914 |
| 11 | Leonard "C" 6-15-16-17 | 160 | .048194 | 94296 | .040653 | 1080 | .036978 | .041941 |
| 12 | A. N. Etz 1-4-7-8 | 240 | .072288 | 81813 | .035271 | 225 | .007703 | .038421 |
| 13 | Etz "C" 1-2-3-4 | 160 | .048194 | 241179 | .103978 | 1253 | .042896 | .065022 |