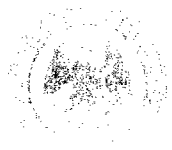


8397

Misc.

1984

1985



# 8397

PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

May 5, 2003

RECEIVED  
MAY 06 2003  
OIL CONSERVATION  
DIVISION

ChevronTexaco  
15 Smith Road  
Midland, Texas 79705

Attn: Mr. Kevin F. Hickey

Re: 2003 Plan of Development  
Eunice Monument South Unit  
Lea County, New Mexico

Dear Mr. Hickey:

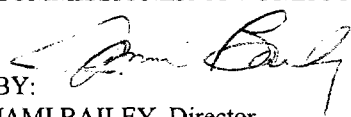
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/cpm  
xc: Reader File

OCD

BLM

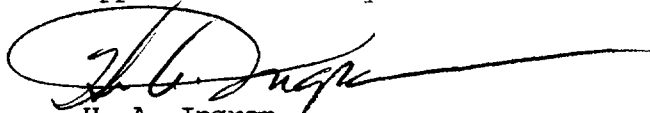
SUPPORTING STATEMENT  
Case No. 8397

Conoco supports Gulf's proposed Eunice Monument South Unit and recommends the Commission approve the application as submitted in Case No. 8397.

There are over 14,000,000 barrels of remaining primary reserves to be recovered from the proposed unit area. In view of the poor performance of the one existing waterflood in this pool, Texaco's Eunice Monument Unit, we believe the formula proposed is fair when consideration is given to risk associated with secondary recovery.

We also believe the assessing of a payment to be made by owners failing to contribute a useable well is fair since it partially compensates the unit for the extra expenditures it is forced to make in order to conduct secondary operations on the offending tract.

We therefore believe the agreements approved by majority agreement of the unit working interest owners are equitable and that the commission should approve Gulf's requests.

A handwritten signature in dark ink, appearing to read 'H. A. Ingram', with a long horizontal flourish extending to the right.

H. A. Ingram  
Conservation Coordinator

:mjs

STATEMENT FOR PRESENTATION TO  
THE NEW MEXICO OIL CONSERVATION COMMISSION  
IN SUPPORT OF  
GULF'S APPLICATION FOR THE PROPOSED EUNICE  
MONUMENT SOUTH UNIT,  
LEA COUNTY, NEW MEXICO

SHELL WESTERN E&P INC. BELIEVES THAT THE SUPPLEMENTAL RECOVERY PROJECT PROPOSED BY GULF WILL RESULT IN THE ECONOMIC PRODUCTION OF SIGNIFICANT VOLUMES OF ADDITIONAL OIL COMPARED WITH DEPLETION THROUGH PRESENT METHODS OF OPERATION. THIS ADDITIONAL RECOVERY WILL BENEFIT EACH ROYALTY INTEREST OWNER AND WORKING INTEREST OWNER IN THE PROPOSED UNIT.

SHELL WESTERN ALSO BELIEVES THAT THE PROPOSED PARTICIPATION FORMULA IS A REASONABLE COMPROMISE THAT PROVIDES EQUITY TO ALL INTERESTS. IT RECOGNIZES THAT SIGNIFICANT PRIMARY OIL RESERVES REMAIN IN THE PROPOSED UNIT, AND THAT PRODUCTION AND REVENUES WILL ALMOST EXCLUSIVELY BE FROM THESE RESERVES FOR THE NEXT SEVERAL YEARS AS WATERFLOODING GETS UNDERWAY. CONSIDERING THE TIME-VALUE OF MONEY, THE REVENUE FROM THESE EARLY YEARS HAS A BIG IMPACT ON THE OVERALL ECONOMICS OF THE PROJECT. THEREFORE, REMAINING PRIMARY RESERVES AND CURRENT PRODUCTION DESERVE TO RECEIVE STRONG CONSIDERATION IN THE PARTICIPATION FORMULA ADOPTED. WE BELIEVE THE PROPOSED FORMULA STRIKES A REASONABLE BALANCE BETWEEN THESE FACTORS AND THE SUPPLEMENTAL OIL RECOVERY, WHICH WILL BE RECEIVED IN LATER YEARS.



WITH REGARD TO ASSETS CONTRIBUTED BY WORKING INTEREST OWNERS, WE BELIEVE THAT UNIFORM ASSESSMENTS AGAINST CONTRIBUTORS OF UNDERDEVELOPED ACREAGE IS A REASONABLE APPROACH. THIS ENCOURAGES THE CONTRIBUTION OF AVAILABLE WELLS AND TENDS TO EQUALIZE THE DEGREE TO WHICH INDIVIDUAL PROPERTIES HAVE BEEN DEVELOPED.

AS WITH ANY PROJECT INVOLVING A NUMBER OF DIFFERENT INTERESTS, THERE ARE MANY ALTERNATIVES, EACH OF WHICH MIGHT CHANGE THE DEGREE OF BENEFIT TO ANY GIVEN PARTY. WE BELIEVE THE CONSIDERATIONS PROPOSED BY GULF FAIRLY ACCOUNT FOR THE FACTS AND EACH INDIVIDUAL'S INTERESTS. EACH PARTICIPANT WILL EQUITABLY SHARE IN A PROJECT THAT WILL RESULT IN IMPROVED OPERATING EFFICIENCY AND INCREASED RECOVERY OF OIL AND GAS.

WE SUPPORT GULF'S APPLICATION FOR THIS UNIT, AND BELIEVE THAT ITS TIMELY APPROVAL WILL BE IN THE BEST INTERESTS OF THE ROYALTY AND WORKING INTEREST OWNERS AS WELL AS THE STATE OF NEW MEXICO.

*Donald J. Pau*  
*Production Administration Advisor*  
*Shell Western E & P Inc.*

*November 7, 1984*

12-20-84

Re: Exxon response to Commission Inquiry

Dick,

In reviewing Exxon's response dated 12-18-84, I thought their numbers regarding primary depletion time were too high, so I plotted some curves for each of the quality tracts using this procedure:

Using data from the Technical Comm. report decline curves, I calculated Remaining Primary Reserves as of 1-1-85 for each of the quality tracts.

Next, using an initial production rate from the decline curves, and the posted decline rates, I calculated beginning of year and end of year production rates, averaged these two, and this gave a good representation of yearly production. Then using five year intervals I calculated cumulative production, and graphed it as a percentage of primary reserves.

I did one for each tract and then one for the combined four quality tracts.

According to the combined graph, in a thirty year period beginning 1-1-85, ending 1-1-2014, a total of 63.5% of remaining primary reserves would be produced. This is based on the assumption that these decline rates would remain constant.

This leads to the conclusion that secondary production has a greater net present value than primary, supporting Exxon's claim.

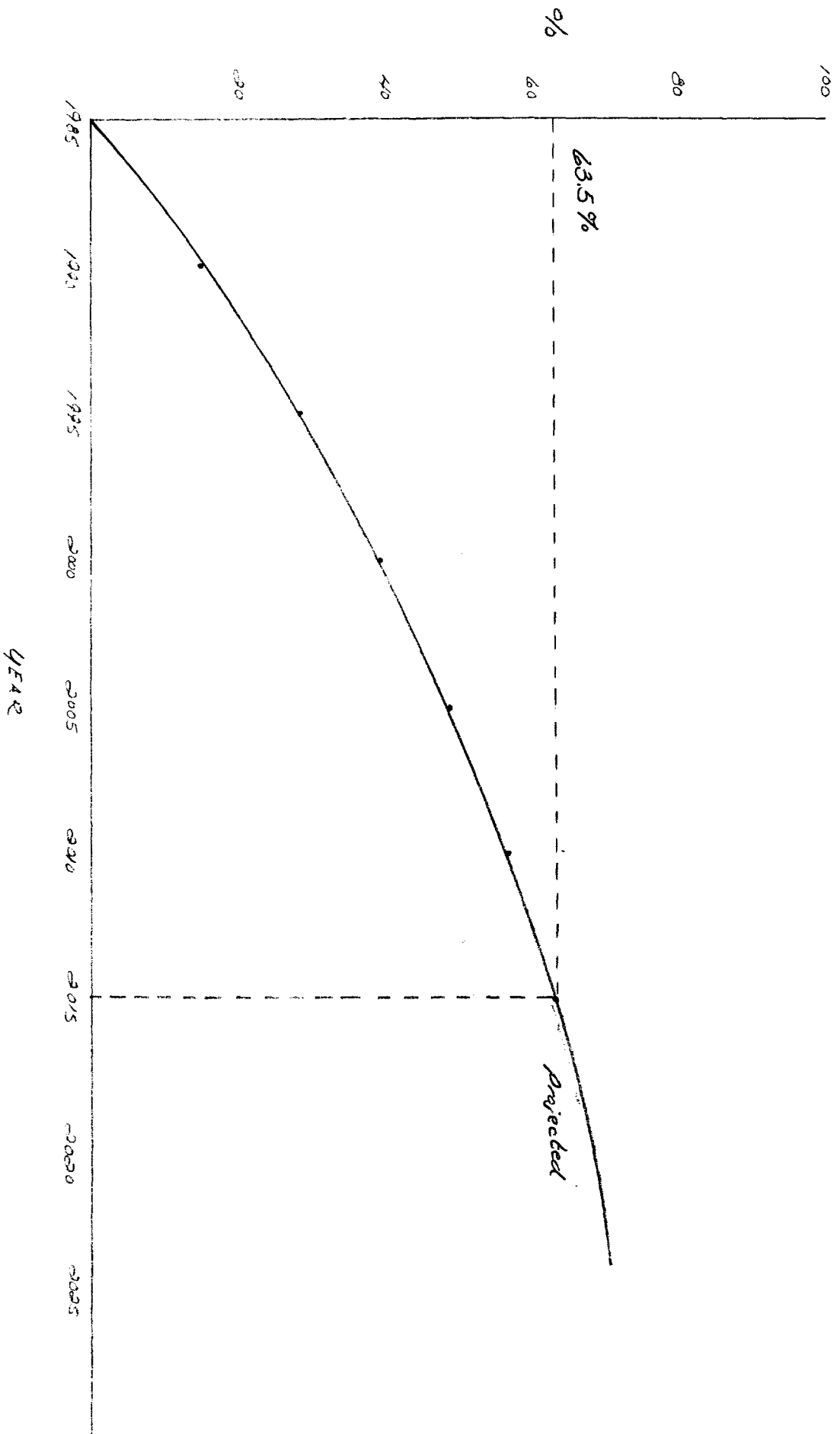
Also, in Tom Kellahins letter, he stated that the four quality tracts were giving up 44% of their remaining primary reserves.

Coincidentally, that is approximately the percentage of reserves that they would have left after 30 years of production.

Dave.

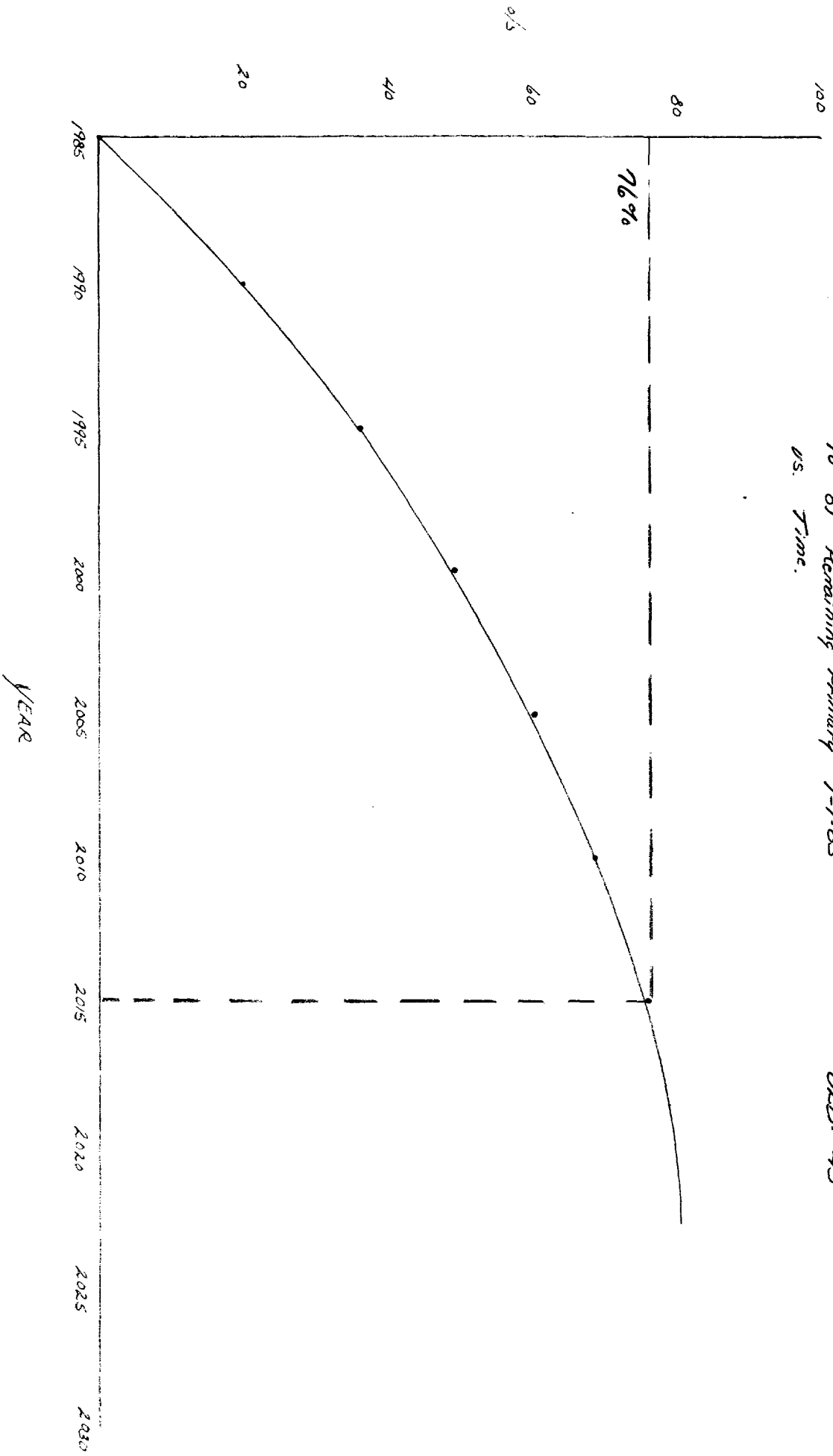
% = Steady Cumulative Production  
Primary Basins 209 1-1-85

% Primary Production vs Time for the  
four quality Tracts.



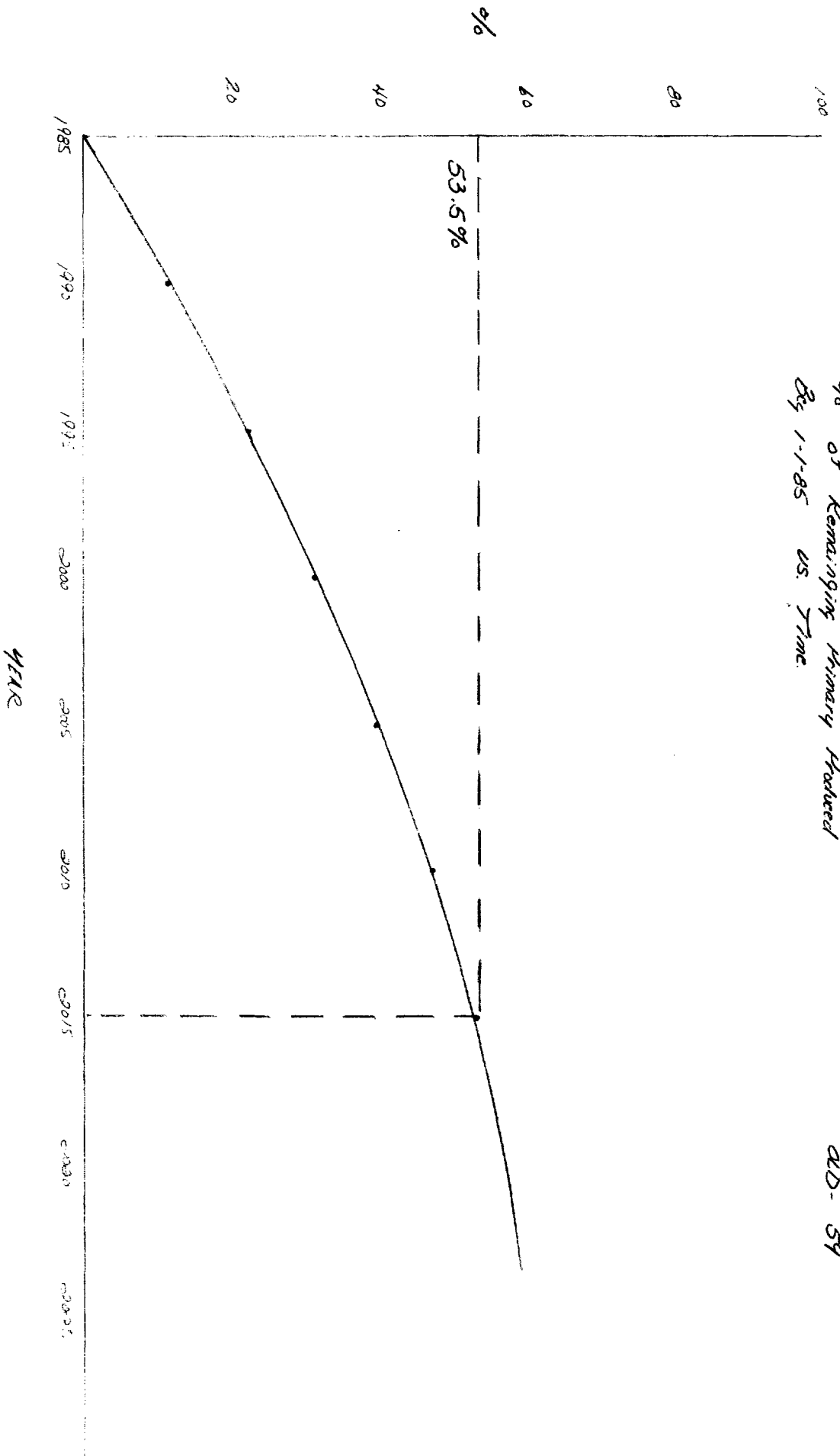
% of Remaining Primary 1-1-85  
U.S. Time.

NEW TRACT 27  
OLD. 43



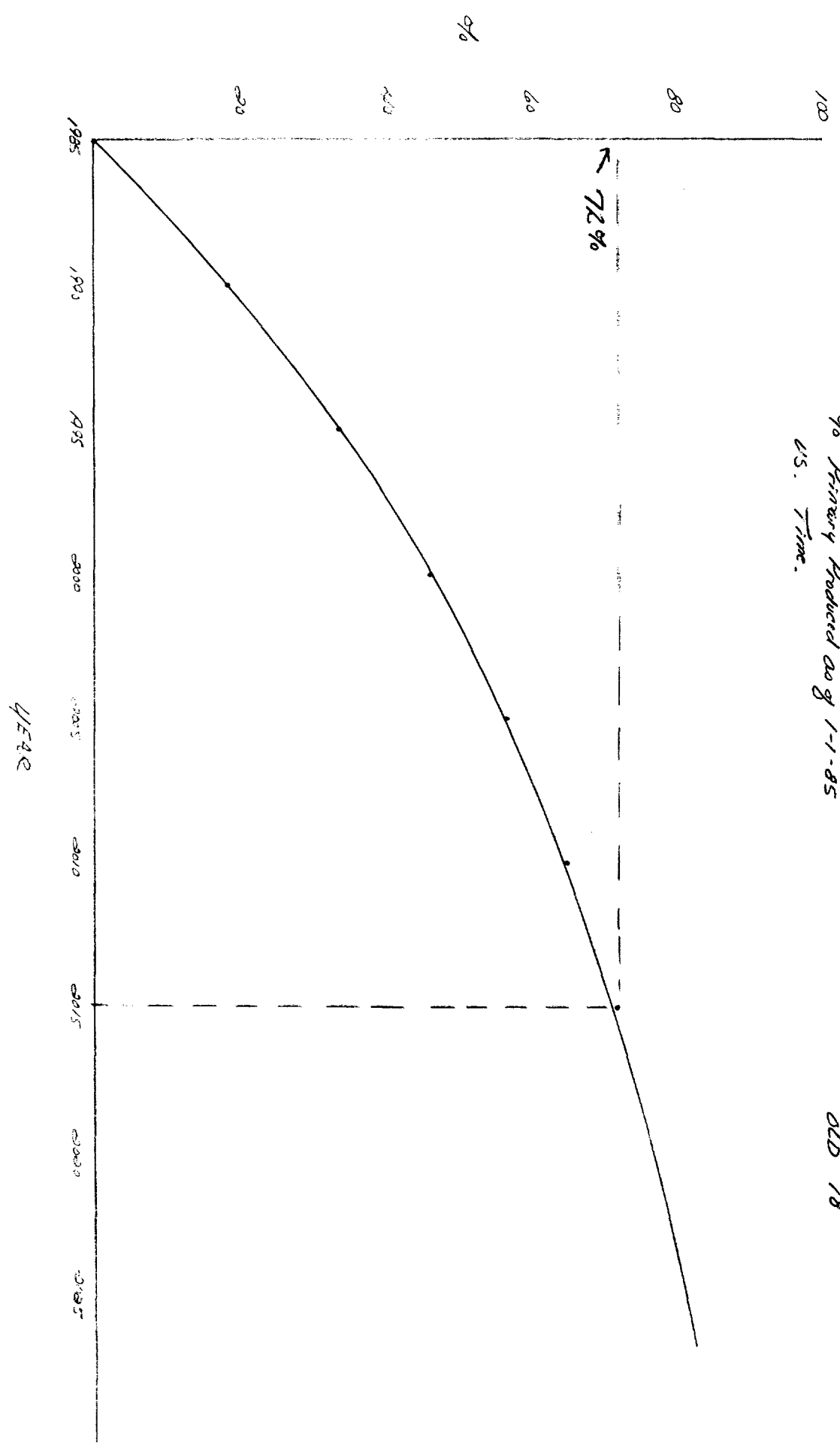
% of Remaining Primary Produced  
By 1-1-85 U.S. Time

NEW TRACT - 8  
OLD - 59



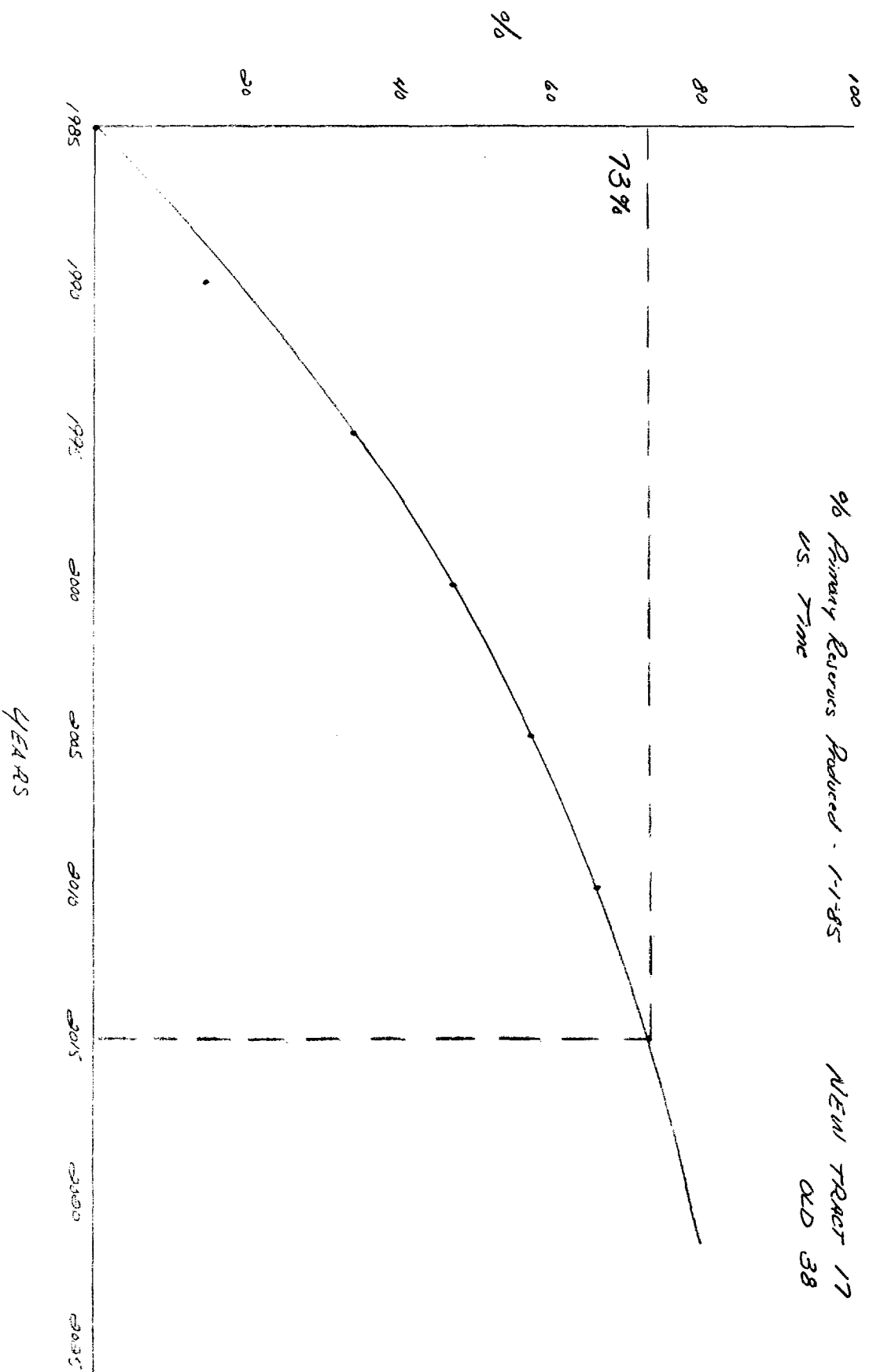
% Airway Produced as of 1-1-85  
U.S. Time.

NEW TRACT 53  
OLD 18



4E4E

% Primary Reservoirs Reduced - 1-1-85  
 US Time NEW TRACT 17  
 OLD 38



Corporate Royalty Joinder

RATIFICATION AND JOINDER OF UNIT AGREEMENT

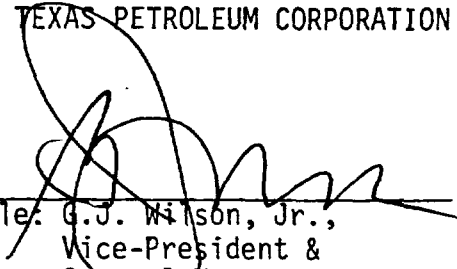
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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

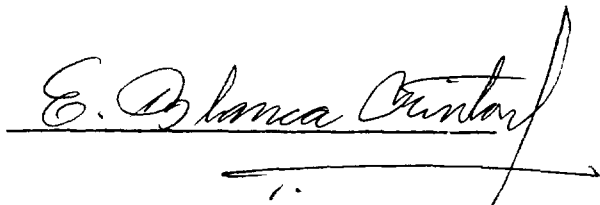
EXECUTED this 1st day of November, 19 84.

UNION TEXAS PETROLEUM CORPORATION

By   
Title: G.J. Wilson, Jr.,  
Vice-President &  
General Manager  
Address: P.O. Box Box 2120  
Houston, Texas 77001

THE STATE OF TEXAS X  
COUNTY OF HARRIS X

The foregoing instrument was acknowledged before me this 1st. day of November, 19 84, by G.J. Wilson, Jr., Vice President & General Manager, for/of UNION TEXAS PETROLEUM CORPORATION, a Delaware corporation, on behalf of said corporation.



My commission expires:

August 22, 1985



Individual Royalty Joinder

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, in form approved on behalf of the Secretary of the Interior and the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts, and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26<sup>th</sup> day of NOV., 1984.

  
MAX W. COLL, II

Address: Box E E

Santa Fe, NM 87502


THE STATE OF NM §

COUNTY OF SANTA FE §

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of NOV., 1984, by MAX W. COLL, II

My Commission Expires:

11/29/86

  
Notary Public 270

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4<sup>th</sup> day of Dec, 1984.

TA Pedley, Jr by  
T. A. PEDLEY, JR.

Address: c/o Thomas J. Hayes

2646 Chestnut Street

San Francisco, CA 94123

THE STATE OF Colorado  
 COUNTY OF Denver §

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of December, 1984 by T. A. PEDLEY, JR., by T. J. Hayes.

My Commission Expires:

8/11/86

Carl Hedley Notary Public  
633 17<sup>th</sup> St  
Denver, CO 80270

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated                     , 19      , in form approved on behalf of the Secretary of the Interior and the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts, and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26<sup>th</sup> day of October, 1984.

JESSIE CRUMP, Trustee of the  
JOE and JESSIE CRUMP Fund Acct. 2312

David C. Blevins  
DAVID C. BLEVINS, Trustee of the  
JOE and JESSIE CRUMP Fund Acct. 2312

THE FORT WORTH NATIONAL BANK, TRUSTEE  
OF THE JOE AND JESSIE CRUMP FUND ACCT.  
2312

By W. A. Hull  
Title: Vice President & Trust Officer

Address: Fort Worth National Bank  
P. O. Box 2050  
Fort Worth, TX 76101

THE STATE OF TEXAS §  
COUNTY OF HIDALGO §

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of OCT., 1984, by JESSIE CRUMP,  
DAVID C. BLEVINS, for/of JOE and JESSIE CRUMP Fund Acct. 2312.

My Commission Expires:

FLOYD O. ROSS Notary Public  
In and for the State of Texas  
My Commission Expires 8-28-85

Floyd O. Ross

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18<sup>th</sup> day of September, 1984.

Irene Fardon Glaister  
IRENE FARDON GLAISTER

Address: Fardon House, Frog Lane

Milton-Under-Wynchwood

Oxon, England

~~THE STATE OF~~ §

~~COUNTY OF~~ §

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of September, 1984, by IRENE FARDON GLAISTER

My Commission Expires:

NOTARY PUBLIC  
12 KING EDWARD ST.  
OXFORD, ENGLAND, UK  
COMMISSION EXPIRES AT DEATH



M. J. J.

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 17th day of October, 1984.

Mary M. Horne Hodge  
MARY M. HORNE TRUST, Mary H. Hodge  
Co-Trustee

Charles R. Cravens, Jr.  
MARY M. HORNE TRUST, Charles R. Cravens,  
Jr. Co-Trustee

Address: 2540 Walnut Hill Lane  
Suite 276 South  
Dallas, Texas 75229

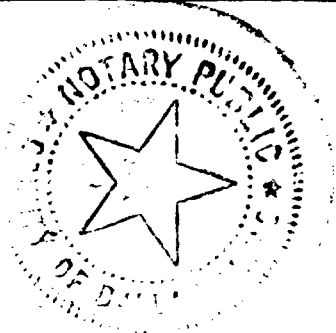
THE STATE OF Texas X

COUNTY OF Dallas X

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of October, 1984, by Mary H. Hodge.

My Commission Expires:

5/20/86



John H. Hodge

THE STATE OF X  
COUNTY OF DALLAS X

The foregoing instrument was acknowledged before me this 29th  
day of October, 1984, by Charles R. Cravens, Jr.

My Commission Expires:

CAROL B. KING  
Notary Public, State of Texas  
My Comm. Expires

Carol B. King  
Notary Public, Dallas County, Texas

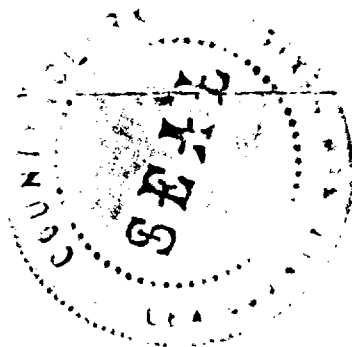


STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

NOV 5 1984

at 1:11 o'clock P.M.  
and recorded in Book 436  
Page 880  
Pat Salpico County Clerk  
By [Signature] Deputy

38871



RATIFICATION AND JOINDER OF UNIT AGREEMENT

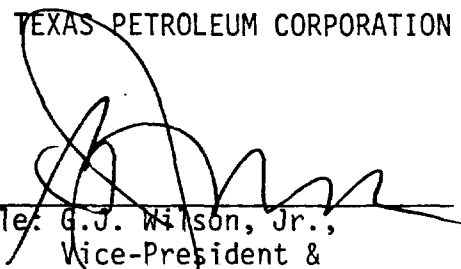
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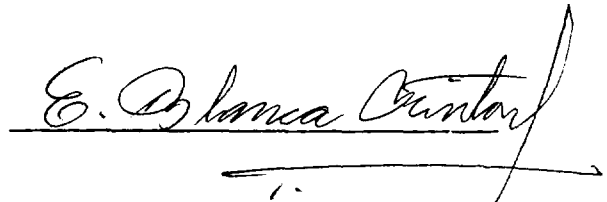
EXECUTED this 1st day of November, 19 84.

UNION TEXAS PETROLEUM CORPORATION

By   
Title: G.J. Wilson, Jr.,  
Vice-President &  
General Manager  
Address: P.O. Box Box 2120  
Houston, Texas 77001

THE STATE OF TEXAS X  
COUNTY OF HARRIS X

The foregoing instrument was acknowledged before me this 1st. day of November, 19 84, by G.J. Wilson, Jr., Vice President & General Manager, for/of UNION TEXAS PETROLEUM CORPORATION, a Delaware corporation, on behalf of said corporation.



My commission expires:

August 22, 1985

Individual Royalty Joinder

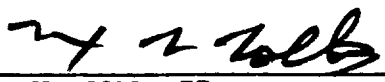
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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26<sup>th</sup> day of NOV., 1984.

  
MAX W. COLL, II

Address: Box E E

Santa Fe, NM 87502

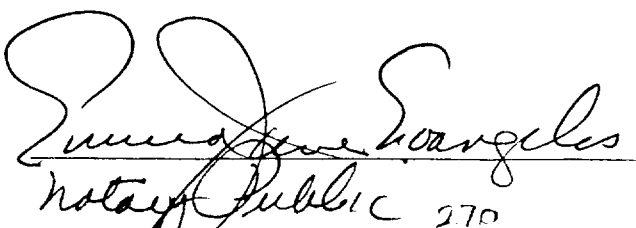
THE STATE OF NM §

COUNTY OF SANTA FE §

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of NOV., 1984, by MAX W. COLL, II

My Commission Expires:

11/29/86

  
Notary Public 270



Individual Royalty Joinder

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7<sup>th</sup> day of Dec, 1984.

T. A. Pedley, Jr. by  
T. A. Pedley, Jr. Agent  
T. A. PEDLEY, JR.

Address: c/o Thomas J. Hayes

2646 Chestnut Street

San Francisco, CA 94123

THE STATE OF Colorado  
COUNTY OF Denver S

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of December, 1984, by T. A. PEDLEY, JR., by  
T. J. Hayes.

My Commission Expires:

8/11/86

Paul Hedley Notary Public  
633 17<sup>th</sup> St  
Denver, CO 80270

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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EXECUTED this 26<sup>th</sup> day of October, 1984.

JESSIE CRUMP, Trustee of the  
JOE and JESSIE CRUMP Fund Acct. 2312

David C. Blevins  
DAVID C. BLEVINS, Trustee of the  
JOE and JESSIE CRUMP Fund Acct. 2312

THE FORT WORTH NATIONAL BANK, TRUSTEE  
OF THE JOE AND JESSIE CRUMP FUND ACCT.  
2312

By W. O. Nalls  
Title: Vice President & Trust Officer

Address: Fort Worth National Bank  
P. O. Box 2050  
Fort Worth, TX 76101

THE STATE OF TEXAS S  
COUNTY OF HIDALGO S

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of OCT., 1984, by JESSIE CRUMP,  
DAVID C. BLEVINS, for/of JOE and JESSIE CRUMP Fund Acct. 2312

My Commission Expires:

FLOYD O. ROSS Notary Public  
In and for the State of Texas  
My Commission Expires 8-28-85

Floyd O. Ross

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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EXECUTED this 18<sup>th</sup> day of September, 1984.

Irene Fardon Glaister  
IRENE FARDON GLAISTER

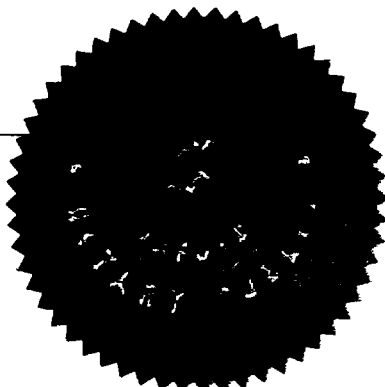
Address: Fardon House, Frog Lane  
Milton-Under-Wynchwood  
Oxon, England

~~THE STATE OF~~ §  
~~COUNTY OF~~ §

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of September, 1984, by IRENE FARDON GLAISTER

My Commission Expires:

NOTARY PUBLIC  
12 KING EDWARD ST.,  
OXFORD, ENGLAND, UK  
COMMISSION EXPIRES AT DEATH



M. J. J.

THE STATE OF X  
COUNTY OF DALLAS X

The foregoing instrument was acknowledged before me this 29th  
day of October, 1984, by Charles R. Cravens, Jr.

My Commission Expires:

CAROL B. KING

Notary Public, State of Texas

My Comm. Expires 12/31/85

Carol B. King  
Notary Public, Dallas County, Texas

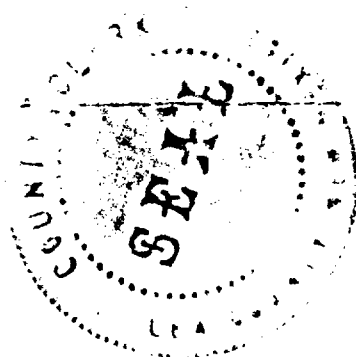


STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

NOV 5 1984

at 1:11 o'clock P.M.  
and recorded in Book 436  
Page 880  
Pat Salinas County Clerk  
By [Signature] Deputy

38871



RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, in form approved on behalf of the Secretary of the Interior and the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts, and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 17th day of October, 1984.

Mary M. Horne Hodge  
MARY M. HORNE TRUST, Mary H. Hodge  
Co-Trustee

Charles R. Cravens, Jr.  
MARY M. HORNE TRUST, Charles R. Cravens,  
Jr. Co-Trustee

Address: 2540 Walnut Hill Lane  
Suite 276 South  
Dallas, Texas 75229

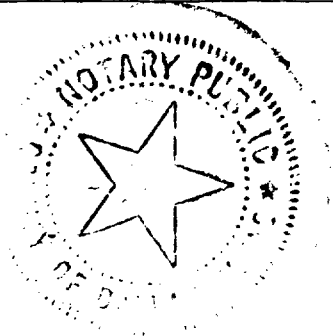
THE STATE OF Texas X

COUNTY OF Dallas X

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of October, 1984, by Mary H. Hodge.

My Commission Expires:

5/20/86



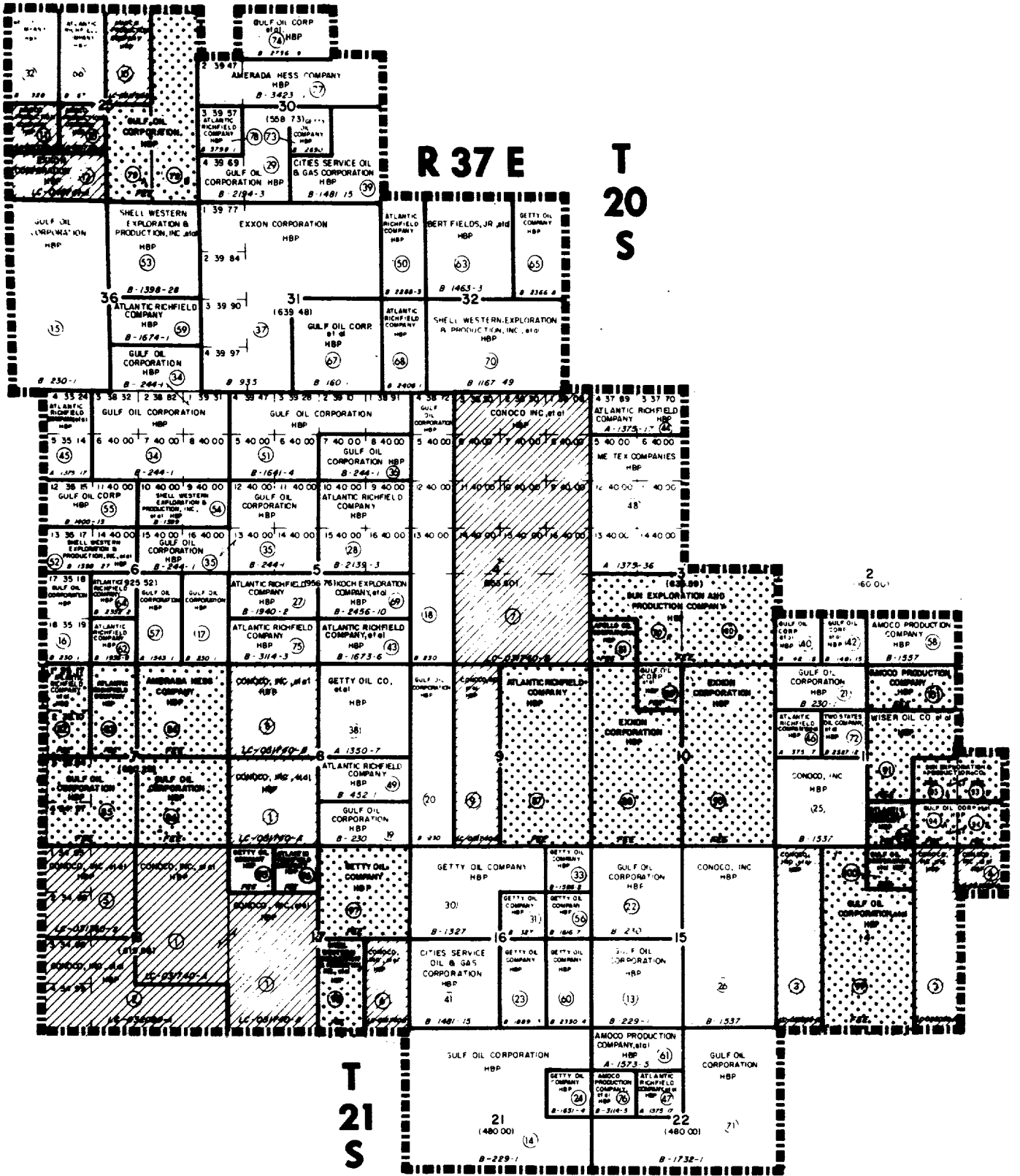
John H. Hodge

R 36 E

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R 37 E

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(40 00)

R 36 E

**EUNICE MONUMENT  
SOUTH UNIT  
LEA COUNTY, NEW MEXICO**

**Approvals  
Unit Agreement  
Unit Operating Agreement**

APPROVALS AND STATUTORY UNITIZATION ORDER

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

STATE OF NEW MEXICO  
COMMISSIONER OF PUBLIC LANDS  
OIL AND GAS DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

EUNICE MONUMENT SOUTH UNIT

LEA COUNTY, NEW MEXICO

CERTIFICATE OF EFFECTIVENESS

Pursuant to the provisions of the Unit Agreement for the Eunice Monument South Unit, in Lea County, New Mexico, said agreement being dated June 22, 1984, and recorded in Book 440, at Page 607, of the Miscellaneous Records of said county, Gulf Oil Corporation, as Unit Operator, hereby certifies as follows:

- (a) Statutory unitization upon the terms and conditions of said Unit Agreement and the Unit Operating Agreement for said unit was approved and ordered by the Oil Conservation Commission of New Mexico on December 27, 1984, by Order No. R-7765 in Case No. 8397 heard on November 7 and 8, 1984.
- (b) The said Unit Agreement became effective in accordance with its terms on February 1, 1985, which date is the Effective Date as defined in said agreement.
- (c) The said Unit covers the following lands as to the unitized formation:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, N.M.P.M.

Section 25: All

Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M.

Section 30: S/2, S/2N/2, NE/4NW/4 and NW/4NE/4

Section 31: All

Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.

Section 2: S/2S/2

Section 3: Lots 3, 4, 5, 6, 11, 12, 13, and 14  
and S/2

Section 4 through 11: All

Section 12: W/2SW/4

Section 13: NW/4NW/4

Section 14 through 18: All

Section 21: N/2 and N/2S/2

Section 22: N/2 and N/2S/2

IN WITNESS WHEREOF, this certificate is executed this 12<sup>th</sup>  
day of February, 1985.

GULF OIL CORPORATION, as Unit  
Operator of the Eunice  
Monument South Unit

By: L. A. Turner  
Attorney-in-Fact  
L. A. TURNER

STATE OF TEXAS §

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this  
12<sup>th</sup> day of February, 1985, by L.A. TURNER,  
Attorney in Fact for GULF OIL CORPORATION, a Pennsylvania  
corporation, on behalf of the corporation.

My Commission Expires:

7-30-88

Carolyn D. Larson  
Notary Public in and for  
Midland County, Texas





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Roswell District Office

P. O. Box 1397

Roswell, New Mexico 88201

IN REPLY  
REFER TO:

NM061P35-85U494

November 6, 1984

Gulf Oil Exploration and Production Company  
Attention: Ray Vaden  
P.O. Drawer 1150  
Midland, TX 79702

Gentlemen:

One approved copy of the Eunice Monument South Unit Agreement, Lea County, New Mexico, is enclosed. The agreement has been assigned No. NM061P35-85U494. Approval of the agreement is subject to approval of statutory unitization by the NMOCD. The agreement will become effective the first day of the month following the date of approval by the BLM, NMOCD, and the Commission pursuant to section 24 of the unit agreement.

Sincerely yours,

District Manager

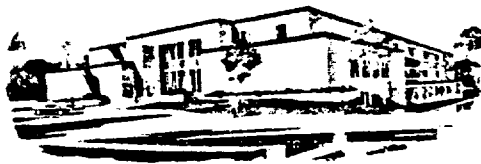
*Acc'd*

Enclosure

# State of New Mexico



JIM BACA  
COMMISSIONER



## Commissioner of Public Lands

November 6, 1984

Gulf Oil Exploration and Production Co.  
P. O. Box 1150  
Midland, Texas 79702

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148  
Express Mail Delivery Used  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Re: Eunice Monument South Unit  
Lea County, New Mexico

ATTENTION: Mr. Ray M. Vaden

Gentlemen:

The Commissioner of Public Lands has this date granted final approval to the Eunice Monument South Unit Area, Lea County, New Mexico, along with your Initial Plan of Operation. Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

Our approval is given with the understanding that you will obtain the New Mexico Oil Conservation Division's approval of Statutory Unitization within a reasonable time.

Enclosed are Five (5) Certificates of Approval.

Your filing fee in the amount of \$720.00 has been received.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-5744

JB/RDG/pm  
encls.  
cc:

OCD-Santa Fe, New Mexico  
BLM-Albuquerque, New Mexico  
BLM-Roswell, New Mexico



## NEW MEXICO STATE LAND OFFICE

### CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

EUNICE MONUMENT SOUTH UNIT


LEA COUNTY, NEW MEXICO

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated June 22, 1984, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 6th day of November, 1984.

  
\_\_\_\_\_  
COMMISSIONER OF PUBLIC LANDS  
of the State of New Mexico



DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 8397  
Order No. R-7765-A

APPLICATION OF GULF OIL CORPORATION  
FOR STATUTORY UNITIZATION, EUNICE  
MONUMENT SOUTH UNIT, LEA COUNTY,  
NEW MEXICO.

NUNC PRO TUNC

BY THE COMMISSION:

It appearing to the Commission that Order No. R-7765,  
dated December 27, 1984, does not correctly state the intended  
order of the Commission due to error,

IT IS THEREFORE ORDERED THAT:

(1) Ordering Paragraph (2) on Pages 8 and 9 of Commission  
Order No. R-7765, Case No. 8397, be and the same is hereby  
corrected to read in its entirety as follows:

"(2) The lands included within the Eunice Monument  
South Unit Area shall comprise:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM

Section 25: All

Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 30: S/2, S/2 N/2, NE/4 NW/4, and  
NW/4 NE/4

Section 31: All

Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: S/2 S/2

Section 3: Lots 3, 4, 5, 6, 11, 12, 13,  
and 14 and S/2

Section 4 through 11: All

Section 12: W/2 SW/4

Section 13: NW/4 NW/4

Sections 14 through 18: All

Section 21: N/2 and N/2 S/2

Section 22: N/2 and N/2 S/2

-2-

Case No. 8397

Order No. R-7765-A

and that the above described lands shall be designated as the Eunice Monument South Unit Area."

(2) The corrections set forth in this order be entered nunc pro tunc as of December 27, 1984.

DONE at Santa Fe, New Mexico, on this 28th day of December, 1984.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JIM BACA, Member



ED KELLEY, Member



R. L. STAMETS, Chairman  
and Secretary

S E A L

dr/



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

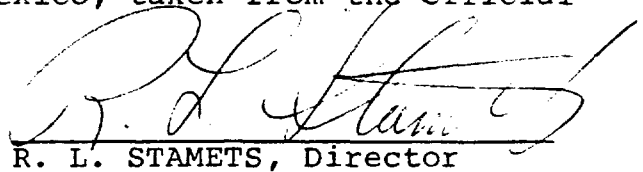
TONEY ANAYA  
GOVERNOR

C E R T I F I C A T E

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

TO WHOM IT MAY CONCERN:

I, R. L. STAMETS, Director of the Oil Conservation Division of the New Mexico Energy and Minerals Department, do hereby certify that the attached is a true and correct copy of Order No. R-7765 issued in Case No. 8397, Gulf Oil Corporation for Statutory Unitization, Eunice Monument South Unit, Lea County, New Mexico, taken from the official records of this agency.

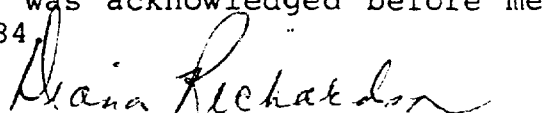
  
R. L. STAMETS, Director

December 27, 1984



STATE OF NEW MEXICO )  
                                  ) ss.  
COUNTY OF SANTA FE )

The foregoing instrument was acknowledged before me  
this 27th day of December, 1984.

  
NOTARY PUBLIC

My Commission Expires:

October 28, 1985

200

STATUTORY UNITIZATION  
Unit Name Eunice Monument South Unit (Waterflood)  
Operator Gulf Oil Corporation  
County Lea County, New Mexico

DATE		OCC CASE NO. 8397		EFFECTIVE		TOTAL		STATE	FEDERAL	SEGREGATION	
APPROVED		OCC ORDER NO.	R-7765	DATE		ACREAGE				CLAUSE	TERM
Commissioner: 11/6/84				2/1/85		14,189.84		8,274.80	2,734.76	3,180.28	Seg. clause will so long as extend all leases if sharing in royalty
BLM: 11/6/84											
OCD: 11/27/84											

UNIT AREA

TOWNSHIP 20 SOUTH, RANGE 36 EAST

Sections 25 and 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST

Section 30: Lots 2, 3, 4, NW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>NE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>  
Section 31: All  
Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST

Section 2: S<sup>1</sup>/<sub>2</sub>S<sup>1</sup>/<sub>2</sub>  
Section 3: Lots 3, 4, 5, 6, 11, 12, 13, 14, S<sup>1</sup>/<sub>2</sub>  
Sections 4 Through 11: All  
Section 12: W<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>  
Section 13: NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>  
Sections 14 Through 18: All  
Section 21: N<sup>1</sup>/<sub>2</sub>, N<sup>1</sup>/<sub>2</sub>S<sup>1</sup>/<sub>2</sub>  
Section 22: N<sup>1</sup>/<sub>2</sub>, N<sup>1</sup>/<sub>2</sub>S<sup>1</sup>/<sub>2</sub>



Unit Name Eunice Monument South Unit (Waterflood)  
 Operator Gulf Oil Corporation  
 County Lea County, New Mexico

STATE TRACT NO.	LEASE NO.	INSTI- TUTION	SEC.	TWP.	RGE.	SUBSECTION	DATE	RATIFIED ACRES	ACREAGE		LESSEE
									NOT RATIFIED		
13	B-229-1	C. S.	15	21S	36E	SW $\frac{1}{4}$	6/22/84	160.00			Gulf Oil Corp.
14	B-229-1	C. S.	21	21S	36E	NW $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , N $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$	6/22/84	440.00			Gulf Oil Corp.
15	B-230-1	C. S.	36	20S	36E	W $\frac{1}{2}$	6/22/84	320.00			Gulf Oil Corp.
16	B-230-1	C. S.	6	21S	36E	Lots 17, 18	6/22/84	70.37			Gulf Oil Corp.
17	B-230-1	C. S.	6	21S	36E	E $\frac{1}{2}$ SE $\frac{1}{4}$	6/22/84	80.00			Gulf Oil Corp.
18	B-230-1	C. S.	4	21S	36E	Lots 4, 5, 12, 13 W $\frac{1}{2}$ SW $\frac{1}{4}$	6/22/84	238.72			Gulf Oil Corp.
19	B-230-1	C. S.	8	21S	36E	S $\frac{1}{2}$ SE $\frac{1}{4}$	6/22/84	80.00			Gulf Oil Corp.
20	B-230-1	C. S.	9	21S	36E	W $\frac{1}{2}$ W $\frac{1}{2}$	6/22/84	160.00			Gulf Oil Corp.
21	B-230-1	C. S.	11	21S	36E	N $\frac{1}{2}$ NW $\frac{1}{4}$	6/22/84	80.00			Gulf Oil Corp.
22	B-230-1	C. S.	15	21S	36E	NW $\frac{1}{4}$	6/22/84	160.00			Gulf Oil Corp.
23	B-1889-3	C. S.	16	21S	36E	W $\frac{1}{2}$ SE $\frac{1}{4}$	10/3/84	80.00			Getty Oil Co.
24	B-1651-4	C. S.	21	21S	36E	SE $\frac{1}{4}$ NE $\frac{1}{4}$	10/3/84	40.00			Getty Oil Co.
25	B-1537	C. S.	11	21S	36E	SW $\frac{1}{4}$	9/25/84	160.00			Conoco Inc.
26	B-1537	C. S.	15	21S	36E	E $\frac{1}{2}$	9/25/84	320.00			Conoco Inc.
27	B-1940-2	C. S.	5	21S	36E	N $\frac{1}{2}$ SW $\frac{1}{4}$	10/26/84	80.00			Atlantic Richfield Co.
28	B-2139-3	C. S.	5	21S	36E	Lots 9, 10, 15, 16	10/26/84	160.00			Atlantic Richfield Co.
29	B-2194-3	C. S.	30	20S	37E	Lot 4, E $\frac{1}{2}$ SW $\frac{1}{4}$	6/22/84	119.69			Gulf Oil Corp.
30	B-1327	C. S.	16	21S	36E	NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$	10/3/84	200.00			Getty Oil Co.
31	B-1327	C. S.	16	21S	36E	SW $\frac{1}{4}$ NE $\frac{1}{4}$	10/3/84	40.00			Getty Oil Co.
32	B-1328	C. S.	25	20S	36E	W $\frac{1}{2}$ NW $\frac{1}{4}$	10/3/84	80.00			Getty Oil Co.
33	B-1566-2	C. S.	16	21S	36E	NE $\frac{1}{4}$ NE $\frac{1}{4}$	10/3/84	80.00			Getty Oil Co.
34	B-244-1	C. S.	36	20S	36E	S $\frac{1}{2}$ SE $\frac{1}{4}$	6/22/84	40.00			Gulf Oil Corp.
35	B-244-1	C. S.	6	21S	36E	Lots 1, 2, 3, 6, 7, 8	6/22/84	316.45			Gulf Oil Corp.
36	B-244-1	C. S.	5	21S	36E	Lots 11, 12, 13, 14 (Sec. 6: Lots 15, 16)	6/22/84	240.00			Gulf Oil Corp.
37	B-935	Ag. Col.	31	20S	37E	Lots 7, 8	6/22/84	80.00			Gulf Oil Corp.
38	A-1350-7	C. S.	8	21S	36E	Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , NE $\frac{1}{4}$ NE $\frac{1}{4}$	6/22/84		479.48		Exxon Corp.
							10/3/84				Gulf Oil Corp.
							10/2/84				Getty Oil Co.
39	B-1481-15	C. S.	30	20S	37E	E $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$		160.00			Sun Exp. & Prod. Co.
40	B-1481-15	C. S.	2	21S	36E	SW $\frac{1}{4}$ SW $\frac{1}{4}$			120.00		Cities Service Corp.
41	B-1481-15	C. S.	16	21S	36E	SW $\frac{1}{4}$			40.00		Cities Service Corp.
42	B-1481-15	C. S.	2	21S	36E	SE $\frac{1}{4}$ SW $\frac{1}{4}$			160.00		Cities Service Corp.
									40.00		Cities Service Corp.

STATUTORY UNITIZATION

Unit Name Eunice Monument South Unit (Waterflood)  
Operator Gulf Oil Corp  
County Lea County

Continued

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED		ACRES	ACREAGE		LESSEE
							DATE			NOT RATIFIED		
43	B-1673-6	C. S.	5	21S	36E	S <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	10/26/84		80.00			Atlantic Richfield Co.
44	A-1375-17	C. S.	3	21S	36E	Lots 3,4,	10/26/84		75.59			Atlantic Richfield Co.
45	A-1375-17	C. S.	6	21S	36E	Lots 4,5,	10/26/84		68.38			Atlantic Richfield Co.
46	A-1375-17	C. S.	11	21S	36E	SW <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub>	10/26/84		40.00			Atlantic Richfield Co.
47	A-1375-17	C. S.	22	21S	36E	SE <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub>	10/26/84		40.00			Atlantic Richfield Co.
48	A-1375-36	C. S.	3	21S	36E	Lots 5,6,11,12,13,14	10/17/84		240.00			Thomas B. Catron III & John S Catron
49	B-452-1	C. S.	8	21S	36E	N <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	10/26/84		80.00			Atlantic Richfield Co.
50	B-2288-3	C. S.	32	20S	37E	W <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub>	10/26/84		80.00			Atlantic Richfield Co.
51	B-1641-4	C. S.	5	21S	36E	Lots 1,2,3,4,5,6,	6/22/84		236.76			Gulf Oil Corp.
52	B-1398-27	C. S.	6	21S	36E	Lots 13,14	10/25/84					Shell
53	B-1398-28	C. S.	36	20S	36E	NE <sup>1</sup> / <sub>4</sub>	8/1/84		75.17			El Paso Natural Gas Co.
54	B-1399-15	C. S.	6	21S	36E	Lots 9,10	10/25/84		160.00			Shell
55	B-1400-13	C. S.	6	21S	36E	Lots 11,12	8/1/84		80.00			El Paso Natural Gas Co.
56	B-1616-7	C. S.	16	21S	36E	SE <sup>1</sup> / <sub>2</sub> NE <sup>1</sup> / <sub>4</sub>	10/25/84		75.15			Shell
57	A-1543-1	C. S.	6	21S	36E	W <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	10/3/84		40.00			El Paso Natural Gas Co.
58	B-1557	C. S.	2	21S	36E	S <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	6/22/84		80.00			Getty Oil Co.
59	B-1674-1	C. S.	36	20S	36E	N <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	9/10/84		80.00			Amoco Production Co.
60	B-2330-4	C. S.	16	21S	36E	E <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	10/26/84		80.00			Atlantic Richfield Co.
61	A-1573-5	C. S.	22	21S	36E	N <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub>	10/3/84		80.00			Getty Oil Co.
62	B-1936-8	C. S.	6	21S	36E	SE <sup>1</sup> / <sub>2</sub> SW <sup>1</sup> / <sub>4</sub>	9/10/84		80.00			Amoco Production Co.
63	B-1463-3	C. S.	32	20S	37E	E <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub> , W <sup>1</sup> / <sub>2</sub> NE <sup>1</sup> / <sub>4</sub>	10/26/84	160.00	40.00			Atlantic Richfield Co.
64	B-2352-2	C. S.	6	21S	36E	NE <sup>1</sup> / <sub>2</sub> SW <sup>1</sup> / <sub>4</sub>	10/26/84					Bert Fields, Jr.
65	B-2366-8	C. S.	32	20S	37E	E <sup>1</sup> / <sub>2</sub> NE <sup>1</sup> / <sub>4</sub>	10/26/84		40.00			Atlantic Richfield Co.
66	B-1671-1	C. S.	25	20S	36E	E <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub>	10/3/84		80.00			Getty Oil Co.
67	B-160-1	AG. Col.	31	20S	37E	SE <sup>1</sup> / <sub>4</sub>	10/31/84		160.00			Atlantic Richfield Co.
68	B-2406-1	C. S.	32	20S	37E	W <sup>1</sup> / <sub>2</sub> SW <sup>1</sup> / <sub>4</sub>	10/26/84		80.00			Texaco Inc.
69	B-2456-10	C. S.	5	21S	36E	N <sup>1</sup> / <sub>2</sub> SE <sup>1</sup> / <sub>4</sub>	7/6/84		80.00			Atlantic Richfield Co.
70	B-1167-49	C. S.	32	20S	37E	SE <sup>1</sup> / <sub>4</sub> , E <sup>1</sup> / <sub>2</sub> SW <sup>1</sup> / <sub>4</sub>	8/1/84		80.00			Koch Industries Inc.
							10/25/84					El Paso Natural Gas Shell

STATUTORY UNITIZATION

Unit Name Eunice Monument South Unit (Waterflood)  
Operator Gulf Oil Exploration and Production Company  
County Lea County, New Mexico

STATE TRACT NO.	LEASE NO.	INSTI- TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED		ACREAGE		LESSEE
							DATE	ACRES	NOT RATIFIED		
71	B-1732-1	C. S.	22	21S	36E	NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$	6/22/84	320.00			Gulf Oil Corporation
72	B-2527-12	C. S.	11	21S	36E	SE $\frac{1}{4}$ NW $\frac{1}{4}$			40.00		Two States Oil Co.
73	B-2690	C. S.	30	20S	37E	NW $\frac{1}{4}$ SE $\frac{1}{4}$	10/3/84	40.00			Getty Oil Company
74	B-2736-9	C. S.	30	20S	37E	NE $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$			80.00		William A. Hudson & Edward R. Hudson
75	B-3114-3	C. S.	5	21S	36E	S $\frac{1}{2}$ SW $\frac{1}{4}$	10/26/84	80.00			Atlantic Richfield Co.
76	B-3114-4	C. S.	22	21S	36E	SW $\frac{1}{4}$ NW $\frac{1}{4}$	9/10/84	40.00			Amoco Production Co.
77	B-3423-1	C. S.	30	20S	37E	Lot 2, SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$	9/5/84	159.47			Amerada Hess Corp.
78	B-3798-1	C. S.	30	20S	37E	Lot 3	10/26/84	39.57			Atlantic Richfield Co.

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION FOR THE PURPOSE OF  
CONSIDERING:

CASE No. 8397  
Order No. R-7765

APPLICATION OF GULF OIL CORPORATION  
FOR STATUTORY UNITIZATION, EUNICE  
MONUMENT SOUTH UNIT, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9:00 A.M. on November 7, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 27th day of December, 1984, the Commission, a quorum having been present, having considered the testimony and the record and being otherwise fully advised in the premises:

FINDS THAT:

(1) Due public notice has been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Gulf Oil Corporation (hereinafter called Gulf), seeks the statutory unitization, pursuant to the "Statutory Unitization Act," Sections 70-7-1 through 70-7-21, NMSA-1978, of 14,189.84 acres, more or less, being a portion of the Eunice Monument Pool, Lea County, New Mexico, as more specifically defined in Commission Case 8397, said portion to be known as the Eunice Monument South Unit; that applicant further seeks approval of the Unit Agreement and the Unit Operating Agreement which were submitted in evidence as Gulf's Exhibits Nos. 3 and 4.

(3) The proposed unit area should be designated the Eunice Monument South Unit Area, (hereinafter called unit) and the horizontal limits of said unit area should be comprised of the following described lands:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM

Section 25: All  
Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 30: S/2, S/2 N/2, NE/4 NW/4 and NW/4  
NE/4  
Section 31: All  
Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: S/2 S/2  
Section 3: Lots 3, 4, 5, 6, 11, 12, 13, and 14  
and S/2  
Section 4 through 11: All  
Section 12: W/2 SW/4  
Section 13: NW/4 NW/4  
Section 14 through 18: All  
Section 21: N/2 and N/2 S/2  
Section 22: N/2 and N/2 S/2

(4) The subject Commission Case 8397 was consolidated for hearing with Commission Cases 8398 and 8399.

(5) Said unit has been approved by the Bureau of Land Management and the Commissioner of Public Lands of the State of New Mexico subject to the approval of statutory unitization by the Oil Conservation Commission.

(6) No interested party has opposed the horizontal limits of the said unit.

(7) The horizontal limits of said unit are reasonably defined by development and have a reasonable geologic relationship to the proposed unitized formations.

(8) The vertical limits of said unit should comprise that interval underlying the unit area, the vertical limits of which extend from an upper limit described at 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit at the base of the San Andres formation; the geologic markers

having been previously found to occur at 3,666 feet and 5,283 feet, respectively, in Continental Oil Company's Meyer B-4 Well No. 23 (located at 660 feet from the South line and 1,980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico) and as recorded on the Welex Acoustic Velocity Log taken on October 30, 1962, said log being measured from a kelly drive bushing elevation of 3,595 feet above sea level.

(9) The establishment of said vertical limits requires the amendment of the vertical limits of the Eumont Gas Pool and the Eunice Monument Pool under the unit area as is the subject of Commission Case 8399 and Order No. R-7767.

(10) The "unitized formation" will include the entire oil column under the unit area permitting the efficient and effective recovery of secondary oil therefrom.

(11) No interested party has objected to the vertical interval proposed to be unitized.

(12) The unit area contains 101 separate tracts owned by 41 different working interests.

(13) As of the date of the hearing, over 90 percent of working interest owners and royalty interest owners were effectively committed to the unit.

(14) Gulf proposes to institute a waterflood project for the secondary recovery of oil and associated gas, condensate, and all associated liquifiable hydrocarbons within and to be produced from the proposed unit area, all as shown in Commission Case 8398.

(15) A technical committee was formed by the owners within the proposed unit to evaluate aspects of unitization and operation of the proposed secondary recovery operation (waterflood).

(16) The technical committee concluded that the probable range of recovery from the proposed waterflood is from 25 percent to 100 percent of ultimate primary production.

(17) Said committee further concluded that based upon response to waterflooding in similar reservoirs, 48 percent of ultimate primary or 64.2 million barrels of additional (secondary) oil would be recovered by institution of the proposed waterflood.

(18) The unitized management, operation, and further development of the unit, as proposed, is reasonable and necessary to effectively and efficiently carry on secondary recovery operations and will substantially increase the ultimate recovery of oil and gas from the unitized formations.

(19) The proposed unitized method of operation as applied to the Unit Area is feasible and will result with reasonable probability in the increased recovery of substantially more oil from the unitized portion of the pool than would otherwise be recovered without unitization.

(20) The estimated additional investment costs of the proposed supplemental recovery operations are \$60.6 million.

(21) The additional recovery to be derived from the proposed supplemental recovery operations will have a resultant net profitability over the aforesaid additional costs and after taxes of \$1.186 billion with unitized water flooding versus \$226.7 million without unitized waterflooding.

(22) The estimated additional costs of the proposed operations (as described in Finding No. (18) above) will not exceed the estimated value of the additional oil and gas (as described in Finding No. (19) above) plus a reasonable profit.

(23) The applicant, the designated unit operator, pursuant to the Unit Agreement and the Unit Operating Agreement, has made a good faith effort to secure voluntary unitization within the unit area.

(24) Bruce Wilbanks and other interest owners in Unit Tract 55, have declined to voluntarily join the unit.

(25) Exxon Company, USA, (hereinafter "Exxon") has declined to voluntarily join the unit and has opposed the application of Gulf in this case on the basis that the participation formula contained in the Unit Agreement fails to give sufficient weight to the cumulative oil production and further that the method of providing a wellbore contribution incentive is not to Exxon's economic advantage.

(26) Exxon has a working interest of 4.86% of the unit which consists of 100% working interest in Unit Tracts 12, 37, 88, 90 and a 50% working interest in Unit Tract 89.

(27) The participation formula proposed allocates unit production to the various tracts in accordance with the following:

$$\text{Tract Participation} = 50\% \text{ A/B} + 40\% \text{ C/D} + 10\% \text{ E/F}$$

Where:

A = the tract cumulative oil production from the unitized formation as of September 30, 1982.

B = the unit total cumulative oil production from the unitized formation as of September 30, 1982.

C = the remaining primary oil reserves from the unitized formation for the tract, beginning October 1, 1982, as determined by the Technical Committee on February 25, 1983.

D = the remaining primary oil reserves from the unitized formation for all unit tracts, beginning October 1, 1982, as determined by the Technical Committee on February 25, 1983.

E = the amount of oil produced from the unitized formation by the tract from January 1, 1982, through September 30, 1982.

F = the amount of oil produced from the unitized formation by all unit tracts from January 1, 1982, through September 30, 1982.

(28) The proposed formula does not take into account calculations of estimated secondary production from each tract in that insufficient cores, well logs, and reservoir data are not available to make such calculations.

(29) The proposed formula does give substantial weight to remaining primary reserves in that such reserves can be measured, that the owners of such reserves have agreed to the terms and conditions of the unit and will be deferring income therefrom to support the costs and risks of implementing secondary recovery operations in the unit.

(30) The proposed allocation formula does give owners without remaining primary reserves or with very low volumes of remaining primary reserves, such as Exxon, a disproportionately large share of the income from the production of remaining primary production during the early life of the project.



(31) During unit negotiations, a cutoff date must be established in order to make necessary calculations of the allocation of unit costs and benefits.

(32) The adoption of the September 30, 1982, date in the subject case was necessary for such calculations and is not unreasonable.

(33) Giving consideration to the lack of technical data for estimates of secondary recovery, the reallocation of primary production in the early life of the unit, the greater risk being accepted by the owners of remaining primary reserves and the reasonableness of the September 30, 1982, cutoff date; the proposed participation formula will allocate unit production on a fair, reasonable, and equitable basis during the period that the estimated 64.2 million barrels of secondary oil is produced.

(34) During said period, it is expected that the unit operator will develop reservoir data from cores, well logs, tests and production which might be used to better allocate production to the unit during any period of recovery of secondary and tertiary oil in excess of 64.2 million barrels.

(35) The proposed formula should not apply to the allocation of secondary or tertiary oil production in excess of a total of 64.2 million barrels.

(36) Before distributing the proceeds from production of such oil in excess of 64.2 million barrels, the unit operator should be required to appear and demonstrate that the formula approved by this order continues to allocate proceeds from unit operations in a fair and equitable manner or, in the alternative, present a new allocation formula prepared on the basis of new and/or enhanced reservoir data which new formula better allocates said proceeds.

(37) Gulf proposed a Wellbore Assessment Method in the Unit Operating Agreement as an incentive to encourage the working interest owners in the unit to contribute the maximum number of existing useable wellbores to the unit.

(38) This assessment method, though not common, is used in other unit agreements.

(39) Any proration unit within the unit which is to participate in the proposed waterflood operation must have a wellbore useable for production or injection in the unitized interval.

(40) It is not unreasonable to penalize the owners of proration units upon which there is no such wellbore and upon which the unit operator must drill a well.

(41) The proposed method of wellbore assessment is fair and reasonable.

(42) Exxon admits that each of its tracts is still reasonably profitable should the Commission approve the participation formula and the wellbore assessment method proposed by Gulf as unit operator.

(43) Unitization and the adoption of the proposed unitized method of operation will benefit the working interest owners and royalty owners of the oil and gas rights within the unit area.

(44) The Eunice Monument South Unit Agreement and Unit Operating Agreement provide for unitization and unit operation of the unit area upon terms and conditions that are fair, reasonable and equitable and which include:

(a) an allocation to the separately owned tracts in the unit area of all oil and gas that is produced from the unit area and which is saved, being the production that is not used in the conduct of unit operations or not unavoidably lost;

(b) a provision for the credits and charges to be made in the adjustment among the owners in the unit area for their respective investments in wells, tanks, pumps, machinery, materials and equipment contributed to the unit operations;

(c) a provision governing how the costs of unit operations, including capital investments, shall be determined and charged to the separately owned tracts and how said costs shall be paid, including a provision providing when, how, and by whom, the unit production allocated to an owner who does not pay his share of the costs of unit operations shall be charged to such owners, of the interest of such owners, and how his interest may be sold and the proceeds applied to the payment of his costs;

(d) a provision for carrying any working interest owner on a limited, carried or net-profits basis, payable out of production, upon such terms and conditions which are just and reasonable, and which allow an appropriate charge for interest for such service payable out of production, upon such terms and conditions

determined by the Commission to be just and reasonable, and allowing an appropriate charge for interest for such service payable out of such owner's share of production, providing that any nonconsenting working interest owner being so carried shall be deemed to have relinquished to the unit operator all of his operating rights and working interests in and to the unit until his share of the costs, service charge and interest are repaid to the Unit Operator;

(e) a provision designating the unit operator and providing for the supervision and conduct of the unit operations, including the selection, removal or substitution of an operator from among the working interest owners to conduct the unit operations;

(f) a provision for a voting procedure for the decision of matters to be decided by the working interest owners in respect to which each working interest owner shall have a voting interest equal to his unit participation; and

(g) the time when the unit operation shall commence and the manner in which, and the circumstances under which, the operations shall terminate and for the settlement of accounts upon such termination;

(45) The statutory unitization of the Eunice Monument South Unit Area is in conformity with the above findings, and will prevent waste and protect the correlative rights of all owners of interest within the proposed unit area, and should be approved.

IT IS THEREFORE ORDERED THAT:

(1) The Eunice Monument South Unit Area, comprising 14, 189.84 acres, more or less, in the Eunice Monument Oil Pool, as amended by Order R-7767, Lea County, New Mexico, is hereby approved effective December 1, 1984, for statutory unitization pursuant to the Statutory Unitization Act, Sections 70-7-1 through 70-7-21 NMSA 1978.

(2) The lands included within the Eunice Monument South Unit Area shall comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM

Section 25: All  
Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 30: S/2, S/2 N/2, NE/4 NW/4, and NW/4  
NE/4

Section 31: All

Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: S/2 S/2

Section 3: Lots 3, 4, 5, 6, 11, 12, 13, and 14  
and S/2

Section 4 through 11: All

Section 12: W/2 SW/4

Section 13: NW/4 NW/4

Sections 14 through 18: All

Section 21: N/2 and N/2 S/2

Section 22: N/2 and N/2 S/2

and that the above described lands shall be designated as the Eunice Monument South Unit Area.

(3) The vertical limits of said unit shall comprise that interval underlying the unit area, the vertical limits of which extend from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit at the base of the San Andres formation; the geologic markers having been previously found to occur at 3,666 feet and 5,283 feet, respectively, in Continental Oil Company's Meyer B-4 Well No. 23 (located at 660 feet from the South line and 1,980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico) and as recorded on the Welex Acoustic Velocity Log taken on October 30, 1962, said log being measured from a kelly drive bushing elevation of 3,595 feet above sea level.

(4) The applicant is hereby authorized to institute a secondary recovery project for the recovery of oil and all associated and constituent liquid or liquified hydrocarbons within the unit area, pursuant to the provisions set forth in Commission Order No. R-7766.

(5) The Eunice Monument South Unit Agreement and the Eunice Monument South Unit Operating Agreement presented by the applicant as Exhibits 3 and 4, respectively, in this case are hereby incorporated by reference into this order.

(6) The Eunice Monument South Unit Agreement and the Eunice Monument Unit Operating Agreement provide for

unitization and unit operation of the subject portion of the Eunice Monument Pool upon terms and conditions that are fair, reasonable and equitable and include:

an allocation to the separately owned tracts in in the unit area of all the oil and gas that is produced from the unit area and is saved, being the production that is not used in the conduct of operations on the unit area or not unavoidably lost;

a provision for the credits and charges to be made in the adjustment among the owners in the unit area for their respective investments in wells, tanks, pumps, machinery, materials and equipment contributed to the unit operations;

a provision for governing how the costs of unit operations including capital investments shall be determined and charged to the separately owned tracts and how said costs shall be paid including a provision providing when, how, and by whom the unit production allocated to an owner who does not pay the share of the costs of unit operations charged to such owner, or in the interest of such owner, may be sold and the proceeds applied to the payment of such costs;

a provision for carrying any working interest owner on a limited, carried or net-profits basis, payable out of production, upon such terms and conditions determined by the Commission to be just and reasonable, and allowing an appropriate charge for interest for such service payable out of such owner's share of production, provided that any non-consenting working interest owner being so carried shall be deemed to have relinquished to the unit operator all of its operating rights and working interest in and to the unit until his share of the costs, service charge and interest are repaid to the unit operator;

a provision designating the unit operator and providing for the supervision and conduct of the unit operations, including the selection, removal or substitution of an operator from among the working interest owners to conduct the unit operations;

a provision for voting procedure for the decision of matters to be decided by the working interest owners in respect to which each working interest owner shall have a voting interest equal to its unit participation; and

the time when the unit operation shall commence and the manner in which, and the circumstances under which, the operations shall terminate and for the settlement of accounts upon such termination;

and are therefore hereby adopted.

(7) This order shall not become effective unless and until the appropriate ratification provisions of Section 70-7-8 NMSA, 1978 Compilation, are complied with.

(8) If the persons owning the required percentage of interest in the unit area as set out in Section 70-7-8 NMSA, 1978 Compilation, do not approve the plan for unit operations within a period of six months from the date of entry of this order, this order shall cease to be of further force and effect and shall be revoked by the Commission, unless the Commission shall extend the time for ratification for good cause shown.

(9) When the persons owning the required percentage of interest in the unit area have approved the plan for unit operations, the interests of all persons in the unit are unitized whether or not such persons have approved the plan of unitization in writing.

(10) Prior to distribution of the proceeds from secondary and tertiary production in excess of 64.2 million barrels, the operator shall appear at a hearing and demonstrate that the formula approved by this order continues to allocate the proceeds from unit production in a fair and equitable manner or, in the alternative, present for approval a new formula prepared on the basis of new or enhanced reservoir data which new formula better allocates said proceeds.

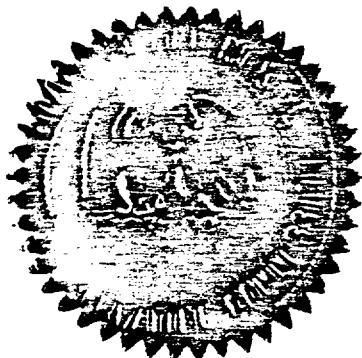
(11) Jurisdiction of cause is retained for the entry of such further orders as the Commission may deem necessary.

-12-  
Case No. 8397  
Order No. R-7763

DONE at Santa Fe, New Mexico, on the day and year  
hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

Jim Baca, Member



S E A L

A handwritten signature in cursive script, appearing to read "Ed Kelley".

Ed Kelley, Member

A handwritten signature in cursive script, appearing to read "R. L. Stamets".

R. L. Stamets, Chairman  
and Secretary

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION FOR THE PURPOSE OF  
CONSIDERING:

CASE No. 8398  
Order No. R-7766

APPLICATION OF GULF OIL CORPORATION  
FOR A WATERFLOOD PROJECT, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9:00 A.M. on November 7, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 27th day of December, 1984, the Commission, a quorum having been present, having considered the testimony and the record and being otherwise fully advised in the premises,

FINDS THAT:

- (1) Due public notice has been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Gulf Oil Corporation, in Commission Case 8398, seeks authority to institute a waterflood project in its Eunice Monument South Unit, by the injection of water into the unitized interval which shall include the formations which extend from an upper limit of 100 feet below mean sea level or the top of the Grayburg formation, whichever is higher, to a lower limit being the base of the San Andres formation in the proposed unitized area, all as shown on Exhibit "A" attached to this order.
- (3) The subject Commission Case 8398 was consolidated for hearing with Commission Cases 8397 and 8399.
- (4) Gulf proposes to utilize an 80-acre five spot injection pattern using a well number system and proposed



Unit injection wells all as shown and identified on Exhibit "B" attached hereto.

(5) Said injection wells shall be conversions of existing wells or newly drilled wells as noted on said Exhibit "B".

(6) The proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(7) The producing formations in the proposed project area are in an advanced stage of depletion and the area is suitable for waterflooding.

(8) There are five wells within or adjacent to the proposed project which may not have been completed or plugged in a manner which will assure that their wellbores will not serve as a conduit for movement of injected fluid out of the injection interval.

(9) The five possible problem wells are identified and described on Exhibit "C" attached hereto.

(10) Prior to instituting injection within one-half mile of any of the five possible "problem wells" Gulf shall first contact the Oil Conservation Division's District Supervisor at Hobbs to develop a plan acceptable to the Director of said Division for repairing or replugging such wells, for monitoring for determination of fluid movement from the injected interval, or for the drilling of replacement producing wells to lower reservoir pressure and fluid levels in order to protect neighboring properties and to protect other oil or gas zones or fresh water.

(11) The operator should otherwise take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(12) The injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 0.2 psi per foot of depth from the surface to the top injection perforation in any injection well, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(13) The subject application should be approved and the project should be governed by the provisions of Rule 701 through 708 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Gulf Oil Corporation, is hereby authorized to institute a waterflood project in the Eunice Monument South Unit Area for the acreage described on Exhibit "A" attached hereto and made a part hereof, by the injection of water into the unitized interval which shall include the formations which extend from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit being the base of the San Andres formation said geologic markers having been as found to occur at 3,666 feet to 5,283 feet, respectively, in the Continental Oil Company's Meyer B-4 Well No. 23 located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico.

(2) Applicant, Gulf Oil Corporation, is hereby authorized to utilize for injection purposes the wells identified and described on Exhibit "B" attached hereto and made a part hereof.

(3) The injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 0.2 psi per foot of depth from the surface to the top injection perforation, provided however, the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) Injection into each of said wells shall be through plastic or cement-lined tubing, set in a packer which shall be located as near as practicable to the uppermost perforations, or, in the case of open-hole completions, as near as practicable to the casing-shoe; that the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention attracting leak detection device.

(5) Prior to injection into any well located within one-half mile of any of the five wells listed on Exhibit "C" attached to this order, the applicant shall consult with the supervisor of the Oil Conservation Division's district office at Hobbs to develop a plan acceptable to

the Director of said Division, for the repairing, plugging, or replugging of said wells or for the monitoring for determination of fluid movement from the injected interval or for the drilling of producing wells to lower reservoir pressure and fluid levels in the vicinity of said wells in order to protect neighboring properties and to protect other oil or gas zones or fresh water.

(6) The operator shall immediately notify the supervisor of the Division's Hobbs District Office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area, and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(7) The authorized subject waterflood project is hereby designated the Eunice Monument South Unit Waterflood Project and shall be governed by the provisions of Rules 701 through 708 of the Commission Rules and Regulations.

(8) Monthly progress reports of the waterflood projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(9) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-5-  
Case No. 8398  
Order No. R-7766

DONE at Santa Fe, New Mexico, on the day and year  
hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

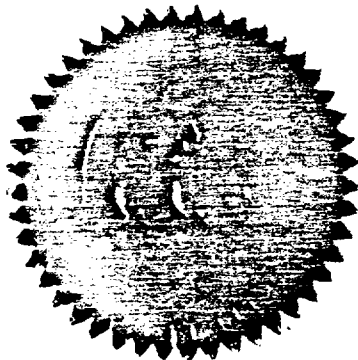
JIM BACA, Member

*Ed Kelley*

ED KELLEY, Member

*R. L. Stamets*

R. L. STAMETS, Chairman and  
Secretary



S E A L

LEA COUNTY, NEW MEXICO

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM

Section 25: All

Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 30: S/2, S/2 N/2, NE/4 NW/4 and NW/4 NE/4

Section 31: All

Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: S/2 S/2

Section 3: Lots 3, 4, 5, 6, 11, 12, 13, and 14  
and S/2

Sections 4 through 11: All

Section 12: W/2 SW/4

Section 13: NW/4 NW/4

Sections 14 through 18: All

Section 21: N/2 and N/2 S/2

Section 22: N/2 and N/2 S/2

CASE NO. 8398  
ORDER NO. R-7766  
EXHIBIT "A"

LEA COUNTY, NEW MEXICO

UNIT WELL NO.	UNIT LETTER	SECTION-TOWNSHIP-RANGE		NEW WELL	
		SOUTH	EAST		
101	C	30	20	37	N
102	A	25	20	36	
104	C	25	20	36	
106	E	25	20	36	
108	G	25	20	36	
110	E	30	20	37	
112	G	30	20	37	
114	I	30	20	37	
116	K	30	20	37	
118	I	25	20	36	
120	K	25	20	36	
122	M	25	20	36	
124	O	25	20	36	N
126	M	30	20	37	
128	O	30	20	37	
130	A	32	20	37	
132	C	32	20	37	
134	A	31	20	37	
136	C	31	20	37	
138	A	36	20	36	
140	C	36	20	36	
142	E	36	20	36	
144	G	36	20	36	
146	E	31	20	37	
148	G	31	20	37	
150	E	32	20	37	
152	G	32	20	37	
154	I	32	20	37	
156	K	32	20	37	
158	I	31	20	37	
160	K	31	20	37	
162	I	36	20	36	
164	K	36	20	36	
166	M	36	20	36	
168	O	36	20	36	
170	M	31	20	37	
172	O	31	20	37	
174	M	32	20	37	
176	O	32	20	37	

CASE NO. 8398  
ORDER NO. R-7766  
EXHIBIT "B"

LEA COUNTY, NEW MEXICO

179	D	3	21	36
181	B	4	21	36
183	D	4	21	36
185	B	5	21	36
187	D	5	21	36
189	B	6	21	36
191	D	6	21	36
193	F	6	21	36
195	H	6	21	36
197	F	5	21	36
199	H	5	21	36
201	F	4	21	36
203	H	4	21	36
205	F	3	21	36
207	L	3	21	36
209	J	4	21	36
211	L	4	21	36
213	J	5	21	36
215	L	5	21	36
217	J	6	21	36
219	L	6	21	36
221	N	6	21	36
223	P	6	21	36
225	N	5	21	36
227	P	5	21	36
229	N	4	21	36
231	P	4	21	36
233	N	3	21	36
235	R	3	21	36
237	T	3	21	36
239	R	4	21	36
241	T	4	21	36
243	R	5	21	36
245	T	5	21	36
247	R	6	21	36

N

N

N

CASE NO. 8398  
ORDER NO. R-7766  
EXHIBIT "B"

LEA COUNTY, NEW MEXICO

249	T	6	21	36
251	V	6	21	36
253	X	6	21	36
255	V	5	21	36
257	X	5	21	36
259	V	4	21	36
261	X	4	21	36
263	V	3	21	36
265	X	3	21	36
267	V	2	21	36
269	X	2	21	36
271	B	11	21	36
273	D	11	21	36
275	B	10	21	36
277	D	10	21	36
279	B	9	21	36
281	D	9	21	36
283	B	8	21	36
285	D	8	21	36
287	B	7	21	36
289	D	7	21	36
291	F	7	21	36
293	H	7	21	36
295	F	8	21	36
297	H	8	21	36
299	F	9	21	36
301	H	9	21	36
303	F	10	21	36
305	H	10	21	36
307	F	11	21	36
309	H	11	21	36
310	L	12	21	36
312	J	11	21	36
314	L	11	21	36
316	J	10	21	36
318	L	10	21	36
320	J	9	21	36
322	L	9	21	36
324	J	8	21	36

CASE NO. 8398  
ORDER NO. R-7766  
EXHIBIT "B"



LEA COUNTY, NEW MEXICO

326	L	8	21	36
328	J	7	21	36
330	L	7	21	36
332	N	7	21	36
334	P	7	21	36
336	N	8	21	36
338	P	8	21	36
340	N	9	21	36
342	P	9	21	36
344	N	10	21	36
346	P	10	21	36
348	N	11	21	36
350	P	11	21	36
352	D	13	21	36
354	B	14	21	36
356	D	14	21	36
358	B	15	21	36
360	D	15	21	36
362	B	16	21	36
364	D	16	21	36
366	B	17	21	36
368	D	17	21	36
370	B	18	21	36
372	D	18	21	36
374	F	18	21	36
376	H	18	21	36
378	F	17	21	36
380	H	17	21	36
382	F	16	21	36
384	H	16	21	36
386	F	15	21	36
388	H	15	21	36
390	F	14	21	36
392	H	14	21	36
394	J	14	21	36
396	L	14	21	36
398	J	15	21	36
400	L	15	21	36
402	J	16	21	36
404	L	16	21	36

N

CASE NO. 8398  
ORDER NO. R-7766  
EXHIBIT "B"

LEA COUNTY, NEW MEXICO

406	J	17	21	36
408	L	17	21	36
410	J	18	21	36
412	L	18	21	36
414	N	18	21	36
416	P	18	21	36
418	N	17	21	36
420	P	17	21	36
422	N	16	21	36
424	P	16	21	36
426	N	15	21	36
428	P	15	21	36
430	N	14	21	36
432	P	14	21	36
434	B	22	21	36
436	D	22	21	36
438	B	21	21	36
440	D	21	21	36
442	F	21	21	36
444	H	21	21	36
446	F	22	21	36
448	H	22	21	36
450	J	22	21	36
454	J	21	21	36
456	L	21	21	36
452	L	22	21	36

CASE 8398  
ORDER NO. R-8398  
EXHIBIT "B"

- (1) Amoco Production Co. State "C" Tr. 11 Well No. 3  
located 1980 feet from the South line and 1980 feet from  
the East line of Section 2, Township 21 South, Range 36  
East;
- (2) Amoco Production Co. State "C" Tr. 11 Well No. 4  
located 3300 feet from the South line and 1980 feet from  
the East line of Section 2, Township 21 South, Range 36  
East;
- (3) Texas Crude Oil Co. Kincheloe 2 State Well No. 1  
located 1980 feet from the South line and 1980 feet from  
the West line of Section 2, Township 21 South, Range 36  
East;
- (4) El Paso Natural Gas Co. Coleman Well No. 1  
located 2310 feet from the South line and 2310 feet from  
the East line of Section 17, Township 21 South, Range 36  
East;
- (5) Texaco Inc. New Mexico "H" NCT-1 Well No. 28, a dry  
hole, located 990 feet from the South line and 660  
feet from the East line of Section 31, Township 20 South,  
Range 37 East;

all in Lea County, New Mexico.

CASE NO. 8398  
Order No. R-7766  
EXHIBIT "C"

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION  
FOR THE PURPOSE OF CONSIDERING:

CASE 8399  
Order No. R-7767

NOMENCLATURE

APPLICATION OF GULF OIL CORPORATION  
FOR POOL EXTENSION AND CONTRACTION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9:00 A.M. on November 7, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 27th day of December, 1984, the Commission, a quorum having been present, having considered the testimony and the record and being otherwise fully advised in the premises,

FINDS THAT:

(1) Due public notice has been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Gulf Oil Corporation, is the operator of the Eunice Monument South Unit with horizontal limits including that acreage described on Exhibit "A" attached to this order.

(3) The applicant, seeks the upward extension of the vertical limits of the Eunice-Monument Pool to include either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, and the concomitant amendment of the vertical limits of the Eumont

Gas Pool by contracting its lower limits to either the base of the Queen formation or to a subsea datum of minus 100 feet, whichever is higher, underlying said unit.

(4) The proposed amendment of pool vertical limits is necessary to permit the applicant to successfully carry out secondary recovery operations within the full oil column underlying said unit.

(5) No party appeared and objected to the proposed amendment of vertical limits.

(6) Granting this application will serve to prevent waste and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) Within the area designated as the Eunice Monument South Unit Area, as shown on Exhibit "A" attached hereto, the vertical limits of the Eumont Gas Pool are hereby amended to be from the top of the Yates formation to a lower unit described as the base of the Queen formation or 100 feet below mean sea level, whichever is higher; the geologic markers having been previously found to occur at 2747 feet and 3666 feet, respectively, in Continental Oil Company's No. 23 Meyer B-4 Well (located at 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico) as recorded on the Welex Acoustic Velocity Log taken on October 30, 1962, said log being measured from a kelly drive bushing elevation of 3,595 feet above sea level.

(2) Within the area designated as the Eunice Monument South Unit Area, as shown on Exhibit "A" attached hereto, the vertical limits of the Eunice Monument Oil Pool are hereby amended to be from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit at the base of the San Andres formation; the geologic markers having been previously found to occur at 3666 feet and 5283 feet, respectively, in Continental Oil Company's No. 23 Meyer B-4 well (located at 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico) as recorded on the Welex Acoustic Velocity Log taken on October 30, 1962, said log being measured from a kelly drive bushing elevation of 3,595 feet above sea level.

Order No. R-7767

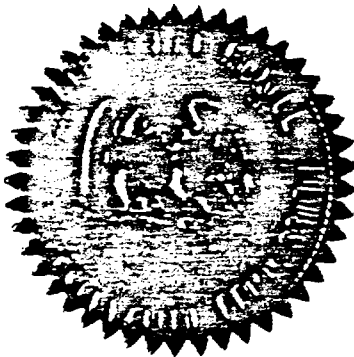
(3) The effective date of this order and the changes to vertical limits included herein shall be January 1, 1985.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JIM BACA, Member



S E A L

*Ed Kelley*  
ED KELLEY, MEMBER

*R. L. Stamets*  
R. L. STAMETS, Chairman  
and Secretary

LEA COUNTY, NEW MEXICO

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM

Section 25: All  
Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 30: S/2, S/2 N/2, NE/4 NW/4 and  
NW/4 NE/4

Section 31: All  
Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: S/2 S/2  
Section 3: Lots 3, 4, 5, 6, 11, 12, 13, and  
14 and S/2  
Section 4 through 11: All  
Section 12: W/2 SW/4  
Section 13: NW/4 NW/4  
Sections 14 through 18: All  
Section 21: N/2 and N/2 S/2  
Section 22: N/2 and N/2 S/2

CASE NO. 8399  
ORDER NO. R-7767  
EXHIBIT "A"

UNIT AGREEMENT  
AND EXHIBITS "A" & "B"

EUNICE MONUMENT SOUTH  
STATUTORY SECONDARY RECOVERY  
FEDERAL - STATE UNIT  
LEA COUNTY, NEW MEXICO

EFFECTIVE DATE  
FEBRUARY 1, 1985



UNIT AGREEMENT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

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Exhibit "A" (Map of Unit Area)  
Exhibit "B" (Schedule of Ownership and Tract Participation)

UNIT AGREEMENT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 22nd day of June, 1984, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto,"

WITNESSETH:

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

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

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Section 1, Chapter 88, Laws 1943, as amended by Section 1 of Chapter 176, Laws of 1961) (Chapter 19, Article 10, Section 45, New Mexico Statutes 1978 Annotated), to consent to and approve the development or operation of State lands under agreements made by lessees of State land jointly or severally with other lessees where such agreements provide for the unit operation or development of part of or all of any oil or gas pool, field or area; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Section 1, Chapter 88, Laws 1943, as amended by Section 1, Chapter 162, Laws of 1951) (Chapter 19, Article 10, Section 47, New Mexico Statutes 1978 Annotated) to amend with the approval of lessee, evidenced by the lessee's execution of such agreement or otherwise, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the term of such agreements for the unit operation and development of part or all of any oil or gas pool, field or area; and

WHEREAS, the Oil Conservation Division of the State of New Mexico (hereinafter referred to as the "Division") is authorized by an Act of the Legislature (Chapter 72, Laws of 1935 as amended) (Chapter 70, Article 2, Section 2 et seq., New Mexico Statutes 1978 Annotated) to approve this Agreement and the conservation provisions hereof; and

WHEREAS, the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico is authorized by law (Chapter 65, Article 3 and Article 14, N.M.S. 1953 Annotated) to approve this Agreement and the conservation provisions hereof; and

WHEREAS, the parties hereto hold sufficient interest in the Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to conserve natural resources, prevent waste, and secure other benefits obtainable through development and operation of the area subject to this Agreement under the terms, conditions, and limitations herein set forth;

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this Agreement their respective interest in the below-defined Unit Area, and agree severally among themselves as follows:

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

SECTION 2. UNIT AREA AND DEFINITIONS. For the purpose of this Agreement, the following terms and expressions as used herein shall mean:

(a) "Unit Area" is defined as those lands described in Exhibit "B" and depicted on Exhibit "A" hereof, and such land is hereby designated and recognized as constituting the Unit Area, containing 14,190 acres, more or less, in Lea County, New Mexico.

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

(c) "Division" is defined as the Oil Conservation Division of the Department of Energy and Minerals of the State of New Mexico.

(d) "Authorized Officer" or "A.O." is any employee of the Bureau of Land Management who has been delegated the required authority to act on behalf of the BLM.

(e) "Secretary" is defined as the Secretary of the Interior of the United States of America, or his duly authorized delegate.

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

(g) "Proper BLM Office" is defined as the Bureau of Land Management office having jurisdiction over the federal lands included in the Unit Area.

(h) "Unitized Formation" shall mean that interval underlying the Unit Area, the vertical limits of which extend from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit at the base of the San Andres formation; the geologic markers having been previously found to occur at 3,657 feet and 5,290 feet, respectively, in Continental Oil Company's #23 Meyer B-4 well (located at 660 feet FSL and 1,980 feet FEL of Section 4, T-21-S, R-36-E, Lea County, New Mexico) as recorded on the Welex Acoustic Velocity Log taken on October 30, 1962, said log being measured from a kelly drive bushing elevation of 3,595 feet above sea level.

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

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

(k) "Tract Participation" is defined as the percentage of participation shown on Exhibit "B" for allocating Unitized Substances to a Tract under this Agreement.

(l) "Unit Participation" is the sum of the percentages obtained by multiplying the Working Interest of a Working Interest Owner in each Tract by the Tract Participation of such Tract.

(m) "Working Interest" is the right to search for, produce and acquire Unitized Substances whether held as an incident of ownership of mineral fee simple title, under an oil and gas lease, operating agreement, or otherwise held, which interest is chargeable with and obligated to pay or bear, either in cash or out of production, or otherwise, all or a portion of the cost of drilling, developing and producing the Unitized Substances from the Unitized Formation and operations thereof hereunder. Provided that any royalty interest created out of a working interest subsequent to the execution of this Agreement by the owner of the working interest shall continue to be subject to such working interest burdens and obligations.

(n) "Working Interest Owner" is any party hereto owning a Working Interest, including a carried working interest owner, holding an interest in Unitized Substances by virtue of a lease, operating agreement, fee title or otherwise. The owner of oil and gas rights that are free of lease or other instrument creating a Working Interest in another shall be regarded as a Working Interest Owner to the extent of seven-eighths (7/8) of his interest in Unitized Substances, and as a Royalty Owner with respect to his remaining one-eighth (1/8) interest therein.

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

(p) "Royalty Owner" is the owner of a Royalty Interest.

(q) "Unit Operating Agreement" is the agreement entered into by and between the Unit Operator and the Working Interest Owners as provided in Section 9, infra, and shall be styled "Unit Operating Agreement, Eunice Monument South Unit, Lea County, New Mexico".

(r) "Oil and Gas Rights" is the right to explore, develop and operate lands within the Unit Area for the production of Unitized Substances, or to share in the production so obtained or the proceeds thereof.

(s) "Outside Substances" is any substance obtained from any source other than the Unitized Formation and injected into the Unitized Formation.

(t) "Unit Manager" is any person or corporation appointed by Working Interest Owners to perform the duties of Unit Operator until the selection and qualification of a successor Unit Operator as provided for in Section 7 hereof.

(u) "Unit Operator" is the party designated by Working Interest Owners under the Unit Operating Agreement to conduct Unit Operations.

(v) "Unit Operations" is any operation conducted pursuant to this Agreement and the Unit Operating Agreement.

(w) "Unit Equipment" is all personal property, lease and well equipment, plants, and other facilities and equipment taken over or otherwise acquired for the joint account for use in Unit Operations.

(x) "Unit Expense" is all cost, expense, or indebtedness incurred by Working Interest Owners or Unit Operator pursuant to this Agreement and the Unit Operating Agreement for or on account of Unit Operations.

(y) "Effective Date" is the date determined in accordance with Section 24, or as redetermined in accordance with Section 39.

SECTION 3. EXHIBITS. The following exhibits are incorporated herein by reference: Exhibit "A" attached hereto is a map showing

the Unit Area and the boundaries and identity of tracts and leases in said Unit Area to the extent known to the Unit Operator. Exhibit "B" attached hereto is a schedule showing, to the extent known to the Unit Operator, the acreage comprising each Tract, percentages and kind of ownership of oil and gas interests in all land in the Unit Area, and Tract Participation of each Tract. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. The shapes and descriptions of the respective Tracts have been established by using the best information available. Each Working Interest Owner is responsible for supplying Unit Operator with accurate information relating to each Working Interest Owner's interest. If it subsequently appears that any Tract, because of diverse royalty or working interest ownership on the Effective Date hereof, should be divided into more than one Tract, or when any revision is requested by the A.O., or any correction of any error other than mechanical miscalculations or clerical is needed, then the Unit Operator, with the approval of the Working Interest owners, may correct the mistake by revising the exhibits to conform to the facts. The revision shall not include any reevaluation of engineering or geological interpretations used in determining Tract Participation. Each such revision of an exhibit made prior to thirty (30) days after the Effective Date shall be effective as of the Effective Date. Each other such revision of an exhibit shall be effective at 7:00 a.m. on the first day of the calendar month next following the filing for record of the revised exhibit or on such other date as may be determined by Working Interest Owners and set forth in the revised exhibit. Copies of such revision shall be filed with the Land Commissioner, and not less than four copies shall be filed with the A.O. In any such revision, there shall be no retroactive allocation or adjustment of Unit Expense or of interests in the Unitized Substances produced, or proceeds thereof.

SECTION 4. EXPANSION. The above described Unit Area may, with the approval of the A.O. and Land Commissioner, when practicable be expanded to include therein any additional Tract or Tracts regarded as reasonably necessary or advisable for the purposes of this Agreement provided however, in such expansion there shall be no retroactive allocation or adjustment of Unit Expense or of interests in the Unitized Substances produced, or proceeds thereof. Pursuant to Subsection (b), the Working Interest Owners may agree upon an adjustment of investment by reason of the expansion. Such expansion shall be effected in the following manner:

(a) The Working Interest Owner or Owners of a Tract or Tracts desiring to bring such Tract or Tracts into this unit, shall file an application therefor with Unit Operator requesting such admission.

(b) Unit Operator shall circulate a notice of the proposed expansion to each Working Interest Owner in the Unit Area and in the Tract proposed to be included in the unit, setting out the basis for admission, the Tract Participation to be assigned to each Tract in the enlarged Unit Area and other pertinent data. After negotiation (at Working Interest Owners' meeting or otherwise) if at least three Working Interest Owners having in the aggregate seventy-five percent (75%) of the Unit Participation then in effect have agreed to inclusion of such Tract or Tracts in the Unit Area, then Unit Operator shall:

(1) After obtaining preliminary concurrence by the A.O. and Land Commissioner, prepare a notice of proposed expansion describing the contemplated changes in the boundaries of the Unit Area, the reason therefor, the basis for admission of the additional Tract or Tracts, the Tract Participation to be assigned thereto and the proposed effective date thereof; and

(2) Deliver copies of said notice to Land Commissioner, the A.O. at the Proper BLM Office, each Working Interest Owner and to the last known address of each lessee and lessor whose interests are affected, advising such parties that thirty (30) days will be allowed for submission to the Unit Operator of any objection to such proposed expansion; and

(3) File, upon the expiration of said thirty (30) day period as set out in (2) immediately above with the Land Commissioner and A.O. the following: (a) evidence of mailing or delivering copies of said notice of expansion; (b) an application for approval of such expansion; (c) an instrument containing the appropriate joinders in compliance with the participation requirements of Section 14, and Section 34, infra; and (d) a copy of all objections received along with the Unit Operator's response thereto.

The expansion shall, after due consideration of all pertinent information and approval by the Land Commissioner and the A.O., become effective as of the date prescribed in the notice thereof, preferably the first day of the month subsequent to the date of notice. The revised Tract Participation of the respective Tracts included within the Unit Area prior to such enlargement shall remain the same ratio one to another.

SECTION 5. UNITIZED LAND. All land committed to this Agreement as to the Unitized Formation shall constitute land referred to herein as "Unitized Land" or "Land subject to this Agreement". Nothing herein shall be construed to unitize, pool, or in any way affect the oil, gas and other minerals contained in or that may be produced from any formation other than the Unitized Formation as defined in Section 2(h) of this Agreement.

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

Unit Operator shall have a lien upon interests of Working Interest Owners in the Unit Area to the extent provided in the Unit Operating Agreement.

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

The Unit Operator shall, upon default or failure in the performance of its duties and obligations hereunder, be subject to removal by Working Interest Owners having in the aggregate eighty percent (80%) or more of the Unit Participation then in effect exclusive of the Working Interest Owner who is the Unit Operator. Such removal shall be effective upon notice thereof to the Land Commissioner and the A.O.

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

The resignation or removal of Unit Operator under this Agreement shall not terminate its right, title or interest as the owner of a Working Interest or other interest in Unitized Substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all wells, equipment, books and records, materials, appurtenances and any

other assets used in connection with the Unit Operations to the new duly qualified successor Unit Operator or to the Unit Manager if no such new Unit Operator is elected. Nothing herein shall be construed as authorizing the removal of any material, equipment or appurtenances needed for the preservation of any wells. Nothing herein contained shall be construed to relieve or discharge any Unit Operator or Unit Manager who resigns or is removed hereunder from any liability or duties accruing or performable by it prior to the effective date of such resignation or removal.

SECTION 8. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender its resignation as Unit Operator or shall be removed as hereinabove provided, the Working Interest Owners shall select a successor Unit Operator as herein provided. 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 Land Commissioner and the A.O. If no successor Unit Operator or Unit Manager is selected and qualified as herein provided, the Land Commissioner and/or the A.O., at their election, may declare this Agreement terminated.

In selecting a successor Unit Operator, the affirmative vote of three or more Working Interest Owners having a total of sixty-five percent (65%) or more of the total Unit Participation shall prevail; provided that if any one Working Interest Owner has a Unit Participation of more than thirty-five percent (35%), its negative vote or failure to vote shall not be regarded as sufficient unless supported by the vote of one or more other Working Interest Owners having a total Unit Participation of at least five percent (5%). If the Unit Operator who is removed votes only to succeed itself or fails to vote, the successor Unit Operator may be selected by the affirmative vote of the owners of at least seventy-five percent (75%) of the Unit Participation remaining after excluding the Unit Participation of Unit Operator so removed.

SECTION 9. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT. Costs and expenses incurred by Unit Operator in conducting Unit Operations hereunder shall be paid, apportioned among and borne by the Working Interest Owners in accordance with the Unit Operating Agreement. Such Unit Operating Agreement shall also provide the manner in which the Working Interest Owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases or other contracts and such other rights and obligations as between Unit Operator and the Working Interest Owners as may be agreed upon by the Unit Operator and the Working Interest Owners; however, no such Unit Operating Agreement shall be deemed either to modify any of the terms and conditions of this Agreement or to relieve the Unit Operator of any right or obligation established under this Agreement, and in case of any inconsistency or conflict between this Agreement and the Unit Operating Agreement, this Agreement shall prevail. Copies of any Unit Operating Agreement executed pursuant to this Section shall be filed with the Land Commissioner and with the A.O. at the Proper BLM Office as required prior to approval of this Agreement.

SECTION 10. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR. Except as otherwise specifically provided herein, the exclusive right, privilege and duty of exercising any and all rights of the parties hereto including surface rights which are necessary or convenient for prospecting for, producing, storing, allocating and distributing the Unitized Substances are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Upon request, acceptable evidence of title to said rights shall be deposited with said Unit Operator, and together with this Agreement, shall constitute and define the rights, privileges and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this Agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

SECTION 11. PLAN OF OPERATIONS. It is recognized and agreed by the parties hereto that all of the land subject to this Agreement is reasonably proved to be productive of Unitized Substances and that the object and purpose of this Agreement is to formulate and to put into effect an improved recovery project in order to effect additional recovery of Unitized Substances, prevent waste and conserve natural resources. Unit Operator shall have the right to inject into the Unitized Formation any substances for secondary recovery or enhanced recovery purposes in accordance with a plan of operation approved by the Working Interest Owners, the A.O., the Land Commissioner and the Division, including the right to drill and maintain injection wells on the Unitized Land and completed in the Unitized Formation, and to use abandoned well or wells producing from the Unitized Formation for said purpose. Subject to like approval, the Plan of Operation may be revised as conditions may warrant.

The initial Plan of Operation shall be filed with the A.O., the Land Commissioner and the Division concurrently with the filing of this Unit Agreement for final approval. Said initial plan of operations and all revisions thereof shall be as complete and adequate as the A.O., the Land Commissioner and the Division may determine to be necessary for timely operation consistent herewith. Upon approval of this Agreement and the initial plan by the A.O. and Commissioner, said plan, and all subsequently approved plans, shall constitute the operating obligations of the Unit Operator under this Agreement for the period specified therein. Thereafter, from time to time before the expiration of any existing plan, the Unit Operator shall submit for like approval a plan for an additional specified period of operations. After such operations are commenced, reasonable diligence shall be exercised by the Unit Operator in complying with the obligations of the approved Plan of Operation.

Notwithstanding anything to the contrary herein contained, should the Unit Operator fail to commence Unit Operations for the secondary recovery of Unitized Substances from the Unit Area within eighteen (18) months after the effective date of this Agreement, or any extension thereof approved by the A.O., this Agreement shall terminate automatically as of the date of default.

SECTION 12. USE OF SURFACE AND USE OF WATER. The parties to the extent of their rights and interests, hereby grant to Unit Operator the right to use as much of the surface, including the water thereunder, of the Unitized Land as may reasonably be necessary for Unit Operations.

Unit Operator's free use of water or brine or both for Unit Operations, shall not include any water from any well, lake, pond or irrigation ditch of a surface owner, unless approval for such use is granted by the surface owner.

Unit Operator shall pay the surface owner for damages to growing crops, fences, improvements and structures on the Unitized Land that result from Unit Operations, and such payments shall be considered as items of unit expense to be borne by all the Working Interest Owners of lands subject hereto.

SECTION 13. TRACT PARTICIPATION. In Exhibit "B" attached hereto there are listed and numbered the various Tracts within the Unit Area, and set forth opposite each Tract are figures which represent the Tract Participation, during Unit Operations if all Tracts in the Unit Area qualify as provided herein. The Tract Participation of each Tract as shown in Exhibit "B" was determined in accordance with the following formula:

Tract Participation = 50% A/B + 40% C/D + 10% E/F

A = the Tract Cumulative Oil Production from the Unitized Formation as of September 30, 1982.



B = the Unit Total Cumulative Oil Production from the Unitized Formation as of September 30, 1982.

C = the Remaining Primary Oil Reserves from the Unitized Formation for the Tract, beginning October 1, 1982, as determined by the Technical Committee on February 25, 1983.

D = the Remaining Primary Oil Reserves from the Unitized Formation for all Unit Tracts, beginning October 1, 1982, as determined by the Technical Committee on February 25, 1983.

E = the amount of oil produced from the Unitized Formation by the Tract from January 1, 1982, through September 30, 1982.

F = the amount of oil produced from the Unitized Formation by all Unit Tracts from January 1, 1982, through September 30, 1982.

In the event less than all Tracts are qualified on the Effective Date hereof, the Tract Participation shall be calculated on the basis of all such qualified Tracts rather than all Tracts in the Unit Area.

SECTION 14. TRACTS QUALIFIED FOR PARTICIPATION. On and after the Effective Date hereof, the Tracts within the Unit Area which shall be entitled to participation in the production of Unitized Substances shall be those Tracts more particularly described in Exhibit "B" that corner or have a common boundary (Tracts separated only by a public road or a railroad right-of-way shall be considered to have a common boundary), and that otherwise qualify as follows:

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

(b) Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this Agreement, and as to which Royalty Owners owning less than seventy-five percent (75%) of the Royalty Interest have become parties to this Agreement, and as to which (1) the Working Interest Owner who operates the Tract and Working Interest Owners owning at least seventy-five percent (75%) of the remaining Working Interest in such Tract have joined in a request for the inclusion of such Tract, and as to which (2) Working Interest Owners owning at least seventy-five percent (75%) of the combined Unit Participation in all Tracts that meet the requirements of Section 14(a) above have voted in favor of the inclusion of such tract.

(c) Each Tract as to which Working Interest Owners owning less than one hundred percent (100%) of the Working Interest have become parties to this Agreement, regardless of the percentage of Royalty Interest therein that is committed hereto; and as to which (1) the Working Interest Owner who operates the Tract and Working Interest Owner owning at least seventy-five percent (75%) of the remaining Working Interest in such Tract who have become parties to this Agreement have joined in a request for inclusion of such Tract, and have executed and delivered, or obligated themselves to execute and deliver an indemnity agreement indemnifying and agreeing to hold harmless the other owners of committed Working Interests, their successors and assigns, against all claims and demands that may be made by the owners of Working Interest in such Tract who are not parties to this Agreement, and which arise out of the inclusion of the Tract; and as to which (2) Working Interest Owners owning at least seventy-five percent (75%) of the Unit Participation in all Tracts that meet the requirements of Section 14(a) and 14(b) have voted in favor of the inclusion of such Tract and to accept the indemnity agreement. Upon the inclusion of such a Tract, the Tract Participations which would have been attributed to the nonsubscribing owners of Working Interest in such Tract, had they become parties to this Agreement and the Unit Operating Agreement, shall be attributed to the Working Interest Owners in

such Tract who have become parties to such agreements, and joined in the indemnity agreement, in proportion to their respective Working Interests in the Tract.

If on the Effective Date of this Agreement there is any Tract or Tracts which have not been effectively committed to or made subject to this Agreement by qualifying as above provided, then such Tract or Tracts shall not be entitled to participate hereunder. Unit Operator shall, when submitting this Agreement for final approval by the Land Commissioner and the A.O., file therewith a schedule of those tracts which have been committed and made subject to this Agreement and are entitled to participate in Unitized Substances. Said schedule shall set forth opposite each such committed Tract the lease number or assignment number, the owner of record of the lease, and the percentage participation of such tract which shall be computed according to the participation formula set forth in Section 13 (Tract Participation) above. This schedule of participation shall be revised Exhibit "B" and upon approval thereof by the Land Commissioner and the A.O., shall become a part of this Agreement and shall govern the allocation of production of Unitized Substances until a new schedule is approved by the Land Commissioner and A.O.

SECTION 15.A. ALLOCATION OF UNITIZED SUBSTANCES. All Unitized Substances produced and saved (less, save and except any part of such Unitized Substances used in conformity with good operating practices on unitized land for drilling, operating, camp and other production or development purposes and for injection or unavoidable loss in accordance with a Plan of Operation approved by the A.O. and Land Commissioner) shall be apportioned among and allocated to the qualified Tracts in accordance with the respective Tract Participations effective hereunder during the respective periods such Unitized Substances were produced, as set forth in the schedule of participation in Exhibit "B". The amount of Unitized Substances so allocated to each Tract, and only that amount (regardless of whether it be more or less than the amount of the actual production of Unitized Substances from the well or wells, if any, on such Tract) shall, for all intents, uses and purposes, be deemed to have been produced from such Tract.

The Unitized Substances allocated to each Tract shall be distributed among, or accounted for, to the parties entitled to share in the production from such Tract in the same manner, in the same proportions, and upon the same conditions, as they would have participated and shared in the production from such Tracts, or in the proceeds thereof, had this Agreement not been entered into; and with the same legal force and effect.

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

If the Working Interest and/or the Royalty Interest in any Tract are divided with respect to separate parcels or portions of such Tract and owned now or hereafter in severalty by different persons, the Tract Participation shall in the absence of a recordable instrument executed by all owners in such Tract and furnished to Unit Operator fixing the divisions of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

SECTION 15.B. WINDFALL PROFIT TAX. In order to comply with the Windfall Profit Tax Act of 1980, as amended, and applicable regulations and to ensure that interest owners of each Tract retain the Windfall Profit Tax benefits accruing to each Tract prior to joining the Unit, for Windfall Profit Tax purposes only, crude oil shall be allocated to individual Tracts as follows:

SECTION 15.C. IMPUTED NEWLY DISCOVERED CRUDE OIL. Each Tract contributing newly discovered crude oil to the Unit Area, that is, each Tract certified as a newly discovered property for Windfall Profit Tax purposes prior to joining the Unit (Newly Discovered Tract), shall be allocated imputed newly discovered crude oil in the proportion that the Tract Participation of such Tract bears to the total of the Tract Participations of all Newly discovered Tracts; provided, however, that imputed newly discovered crude oil allocated to any Tract under this Subsection 15.C. shall not exceed, in any month, the total number of barrels of crude oil allocable out of unit production to such Tract in accordance with its Tract Participation. In the event a Newly Discovered Tract is so allocated a number of barrels of imputed newly discovered crude oil which is less than the total number of barrels of crude oil allocable out of unit production to such Tract in accordance with its Tract Participation, then such Newly Discovered Tract shall be allocated any remaining unallocated newly discovered crude oil in the proportion that the Tract Participation of such Tract bears to the total of the Tract Participations of all Newly Discovered Tracts not previously so allocated the total number of barrels allocable out of unit production in accordance with their Tract Participations. This additional allocation process shall continue to be repeated, as outlined in the preceding sentence, until such time as:

(a) all Newly Discovered Tracts have been so allocated a number of barrels of imputed newly discovered crude oil equal to the total number of barrels of crude oil allocable out of unit production to such Tracts in accordance with their Tract Participations; or

(b) there is no imputed newly discovered crude oil remaining to be allocated,

whichever occurs first.

Any imputed newly discovered crude oil in excess of the amount of oil allocable to a Tract in accordance with this Subsection 15.C. shall be termed excess imputed newly discovered crude oil.

SECTION 15.D. IMPUTED STRIPPER CRUDE OIL. Each Tract contributing stripper crude oil to the Unit Area, that is, each Tract certified as a stripper property for Windfall Profit Tax purposes prior to joining the Unit (Stripper Tract), shall be allocated imputed stripper crude oil in the proportion that the Tract Participation of such Tract bears to the total of the Tract Participations of all Stripper Tracts; provided, however, that imputed stripper crude oil allocated to any Tract under this Subsection 15.D. shall not exceed, in any month, the total number of barrels of crude oil allocable out of unit production to such Tract in accordance with its Tract Participation. In the event a Stripper Tract is so allocated a number of barrels of imputed stripper crude oil which is less than the total number of barrels of crude oil allocable out of unit production to such Tract in accordance with its Tract Participation, then such Stripper Tract shall be allocated any remaining unallocated imputed stripper crude oil in the proportion that the Tract Participation of such Tract bears to the total of the Tract Participations of all Stripper Tracts not previously so allocated the total number of barrels allocable out of unit production in accordance with their Tract Participations. This additional allocation process shall continue to be repeated, as outlined in the preceding sentence, until such time as:

(a) all Stripper Tracts have been so allocated a number of barrels of imputed stripper crude oil equal to the total number of barrels of crude oil allocable out of unit production to such Tracts in accordance with their Tract Participations; or

(b) there is no imputed stripper crude oil remaining to be allocated,

whichever comes first.

Any imputed stripper crude oil in excess of the amount of oil allocable to a Tract in accordance with this Subsection 15.D. shall be termed excess imputed stripper crude oil.

SECTION 15.E. EXCESS IMPUTED NEWLY DISCOVERED CRUDE OIL.

Each Tract shall be allocated any excess imputed newly discovered crude oil in the proportion that its Tract Participation bears to the total of the Tract Participations of all Tracts not previously allocated the total number of barrels of crude oil allocable to these Tracts out of unit production in accordance with the Tract Participations of such Tracts; provided, however, that excess imputed newly discovered crude oil allocated to each such Tract, when added to the total number of barrels of imputed newly discovered crude oil previously allocated to it, shall not exceed, in any month, the total number of barrels of oil allocable to it out of unit production in accordance with its Tract Participation.

SECTION 15.F. EXCESS IMPUTED STRIPPER CRUDE OIL. Each Tract shall be allocated any excess imputed stripper crude oil in the proportion that its Tract Participation bears to the total of the Tract Participations of all Tracts not previously allocated the total number of crude oil barrels allocable to these Tracts out of unit production in accordance with the Tract Participations of such Tracts; provided, however, that excess imputed stripper crude oil allocated to each such Tract, when added to the total number of barrels of imputed stripper crude oil previously allocated to it, shall not exceed, in any month, the total number of barrels of oil allocable to it out of unit production in accordance with its Tract Participation.

SECTION 15.G. TAKING UNITIZED SUBSTANCES IN KIND. The Unitized Substances allocated to each Tract shall be delivered in kind to the respective parties entitled thereto by virtue of the ownership of oil and gas rights therein. Each such party shall have the right to construct, maintain and operate all necessary facilities for that purpose within the Unitized Area, provided the same are so constructed, maintained and operated as not to interfere with Unit Operations. Subject to Section 17 hereof, any extra expenditure incurred by Unit Operator by reason of the delivery in kind of any portion of the Unitized Substances shall be borne by the party taking delivery. In the event any Working Interest Owner shall fail to take or otherwise adequately dispose of its proportionate share of the production from the Unitized Formation, then so long as such condition continues, Unit Operator, for the account and at the expense of the Working Interest Owner of the Tract or Tracts concerned, and in order to avoid curtailing the operation of the Unit Area, may, but shall not be required to, sell or otherwise dispose of such production to itself or to others, provided that all contracts of sale by Unit Operator of any other party's share of Unitized Substances shall be only for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but in no event shall any such contract be for a period in excess of one year, and at not less than the prevailing market price in the area for like production, and the account of such Working Interest Owner shall be charged therewith as having received such production. The net proceeds, if any, of the Unitized Substances so disposed of by Unit Operator shall be paid to the Working Interest Owner of the Tract or Tracts concerned. Notwithstanding the foregoing, Unit Operator shall not make a sale into interstate commerce of any Working Interest Owner's share of gas production without first giving such Working Interest Owner sixty (60) days' notice of such intended sale.

Any Working Interest Owner receiving in kind or separately disposing of all or any part of the Unitized Substances allocated to any Tract, or receiving the proceeds therefrom if the same is sold or purchased by Unit Operator, shall be responsible for the payment of all royalty, overriding royalty and production payments due thereon, and each such party shall hold each other Working Interest Owner harmless against all claims, demands and causes of

action by owners of such royalty, overriding royalty and production payments.

If, after the Effective Date of this Agreement, there is any Tract or Tracts that are subsequently committed hereto, as provided in Section 4 (Expansion) hereof, or any Tract or Tracts within the Unit Area not committed hereto as of the Effective Date hereof but which are subsequently committed hereto under the provisions of Section 14 (Tracts Qualified for Participation) and Section 32 (Nonjoinder and Subsequent Joinder); or if any Tract is excluded from this Agreement as provided for in Section 21 (Loss of Title), the schedule of participation as shown in Exhibit "B" shall be revised by the Unit Operator; and the revised Exhibit "B", upon approval by the Land Commissioner and the A.O., shall govern the allocation of production on and after the effective date thereof until a revised schedule is approved as hereinabove provided.

SECTION 16. OUTSIDE SUBSTANCES. If gas obtained from formations not subject to this Agreement is introduced into the Unitized Formation for use in repressuring, stimulating of production or increasing ultimate recovery which shall be in conformity with a Plan of Operation first approved by the Land Commissioner and the A.O., a like amount of gas with appropriate deduction for loss or depletion from any cause may be withdrawn from unit wells completed in the Unitized Formation royalty free as to dry gas, but not royalty free as to the products extracted therefrom; provided that such withdrawal shall be at such time as may be provided in the approved Plan of Operator or as otherwise may be consented to or prescribed by the Land Commissioner and the A.O. as conforming to good petroleum engineering practices and provided further that such right of withdrawal shall terminate on the termination date of this Agreement.

SECTION 17. ROYALTY SETTLEMENT. The State of New Mexico and United States of America and all Royalty Owners who, under an existing contract, are entitled to take in kind a share of the substances produced from any Tract unitized hereunder, shall continue to be entitled to such right to take in kind their share of the Unitized Substances allocated to such Tract, and Unit Operator shall make deliveries of such Royalty share taken in kind in conformity with the applicable contracts, laws and regulations. Settlement for Royalty not taken in kind shall be made by Working Interest Owners responsible therefor under existing contracts, laws and regulations on or before the last day of each month for Unitized Substances produced during the preceding calendar month; provided, however, that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any Royalty due under the leases, except that such Royalty shall be computed on Unitized Substances as allocated to each Tract in accordance with the terms of this Agreement. With respect to Federal leases committed hereto on which the royalty rate depends upon the daily average production per well, such average production shall be determined in accordance with the operating regulations pertaining to Federal leases as though the committed Tracts were included in a single consolidated lease.

If the amount of production or the proceeds thereof accruing to any Royalty Owner (except the United States of America) in a Tract depends upon the average production per well or the average pipeline runs per well from such Tract during any period of time, then such production shall be determined from and after the effective date hereof by dividing the quantity of Unitized Substances allocated hereunder to such Tract during such period of time by the number of wells located thereon capable of producing Unitized Substances as of the Effective Date hereof, provided that any Tract not having any well so capable of producing Unitized Substances on the Effective Date hereof shall be considered as having one such well for the purpose of this provision.

All Royalty due the State of New Mexico and the United States of America and the other Royalty Owners hereunder shall be computed and paid on the basis of all Unitized Substances allocated to the

respective Tract or Tracts committed hereto, in lieu of actual production from such Tract or Tracts.

With the exception of Federal and State requirements to the contrary, Working Interest Owners may use or consume Unitized Substances for Unit Operations and no Royalty, overriding royalty, production or other payments shall be payable on account of Unitized Substances used, lost, or consumed in Unit Operations.

Each Royalty Owner (other than the State of New Mexico and the United States of America) that executes this Agreement represents and warrants that it is the owner of a Royalty Interest in a Tract or Tracts within the Unit Area as its interest appears in Exhibit "B" attached hereto. If any Royalty Interest in a Tract or Tracts should be lost by title failure or otherwise in whole or in part, during the term of this Agreement, then the Royalty Interest of the party representing himself to be the owner thereof shall be reduced proportionately and the interests of all parties shall be adjusted accordingly.

SECTION 18. RENTAL SETTLEMENT. Rentals or minimum Royalties due on the leases committed hereto shall be paid by Working Interest Owners responsible therefor under existing contracts, laws and regulations provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum Royalty in lieu thereof, due under their leases. Rental for lands of the State of New Mexico subject to this Agreement shall be paid at the rate specified in the respective leases from the State of New Mexico. Rental or minimum Royalty for lands of the United States of America subject to this Agreement shall be paid at the rate specified in the respective leases from the United States of America, unless such rental or minimum Royalty is waived, suspended or reduced by law or by approval of the Secretary or his duly authorized representative.

SECTION 19. CONSERVATION. Operations hereunder and production of Unitized Substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to Federal and State laws and regulations.

SECTION 20. DRAINAGE. The Unit Operator shall take all reasonable and prudent measures to prevent drainage of Unitized Substances from unitized land by wells on land not subject to this Agreement.

The Unit Operator, upon approval by the Working Interest Owners, the A.O. and the Land Commissioner, is hereby empowered to enter into a borderline agreement or agreements with working interest owners of adjoining lands not subject to this Agreement with respect to operation in the border area for the maximum economic recovery, conservation purposes and proper protection of the parties and interest affected.

SECTION 21. LOSS OF TITLE. In the event title to any Tract of unitized land shall fail and the true owner cannot be induced to join in this Agreement, such Tract shall be automatically regarded as not committed hereto, and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to title to any Royalty, Working Interest, or other interests subject thereto, payment or delivery on account thereof may be withheld without liability for interest until the dispute is finally settled; provided, that, as to State or Federal lands or leases, no payments of funds due the United States or the State of New Mexico shall be withheld, but such funds shall be deposited as directed by the A.O. or Land Commissioner (as the case may be) to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

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

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

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

Each Working Interest Owner shall indemnify, hold harmless, and defend all other Working Interest Owners against any and all claims by any party against the interest attributed to such Working Interest Owner on Exhibit "B".

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

SECTION 22. LEASES AND CONTRACTS CONFORMED AND EXTENDED. The terms, conditions and provisions of all leases, subleases and other contracts relating to exploration, drilling, development or operation for oil or gas on lands committed to this Agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect, and the parties hereto hereby consent that the Secretary and the Land Commissioner, respectively, shall and by their approval hereof, or by the approval hereof by their duly authorized representatives, do hereby establish, alter, change or revoke the drilling, producing, rental, minimum Royalty and Royalty requirements of Federal and State leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this Agreement.

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

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

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

(c) Suspension of drilling or producing operations within the Unit Area pursuant to direction or consent of the Land Commissioner and the A.O., or their duly authorized representatives, shall be deemed to constitute such suspension pursuant to such direction or consent as to each Tract within the Unitized Area.

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

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

(f) Any lease embracing lands of the State of New Mexico having only a portion of its land committed hereto shall be segregated as to that portion committed and that not committed, and the terms of such lease shall apply separately to such segregated portions



commencing as of the effective date hereof. Provided, however, that notwithstanding any of the provisions of this Agreement to the contrary, such lease (including both segregated portions) shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease if oil or gas is, or has heretofore been discovered in paying quantities on some part of the lands embraced in such lease committed to this Agreement or, so long as a portion of the Unitized Substances produced from the Unit Area is, under the terms of this Agreement, allocated to the portion of the lands covered by such lease committed to this Agreement, or, at any time during the term hereof, as to any lease that is then valid and subsisting and upon which the lessee or the Unit Operator is then engaged in bona fide drilling, reworking, or improved recovery operations on any part of the lands embraced in such lease, then the same as to all lands embraced therein shall remain in full force and effect so long as such operations are diligently prosecuted, and if they result in the production of oil or gas, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as oil or gas in paying quantities is being produced from any portion of said lands.

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

SECTION 23. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be covenants running with the land with respect to the interest of the parties hereto and their successors in interest until this Agreement terminates, and any grant, transfer or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee or other successor in interest. No assignment or transfer of any Working Interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument or transfer; and no assignment or transfer of any Royalty Interest subject hereto shall be binding upon the Working Interest Owner responsible therefor until the first day of the calendar month after said Working Interest Owner is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument or transfer.

SECTION 24. EFFECTIVE DATE AND TERM. This Agreement shall become binding upon each party who executes or ratifies it as of the date of execution or ratification by such party and shall become effective on the first day of the calendar month next following the approval of this Agreement by the A.O., the Land Commissioner and the Commission.

If this Agreement does not become effective on or before June 1, 1986, it shall ipso facto expire on said date (hereinafter called "Expiration Date") and thereafter be of no further force or effect, unless prior thereto this Agreement has been executed or ratified by Working Interest Owners owning a combined Participation of at least seventy five percent (75%); and at least seventy-five percent (75%) of such Working Interest Owners committed to this Agreement have decided to extend Expiration Date for a period not to exceed one (1) year (hereinafter called "Extended Expiration Date"). If Expiration Date is so extended and this Agreement does not become effective on or before Extended Expiration Date, it shall ipso facto expire on Extended Expiration Date and thereafter be of no further force and effect.

Unit Operator shall file for record within thirty (30) days after the Effective Date of this Agreement, in the office of the



County Clerk of Lea County, New Mexico, where a counterpart of this Agreement has become effective according to its terms and stating further the effective date.

The terms of this Agreement shall be for and during the time that Unitized Substances are produced from the unitized land and so long thereafter as drilling, reworking or other operations (including improved recovery operations) are prosecuted thereon without cessation of more than ninety (90) consecutive days unless sooner terminated as herein provided.

This Agreement may be terminated with the approval of the Land Commissioner and the A.O. by Working Interest Owners owning eighty percent (80%) of the Unit Participation then in effect whenever such Working Interest Owners determine that Unit Operations are no longer profitable, or in the interest of conservation. Upon approval, such termination shall be effective as of the first day of the month after said Working Interest Owners' determination. Notice of any such termination shall be filed by Unit Operator in the office of the County Clerk of Lea County, New Mexico, within thirty (30) days of the effective date of termination.

Upon termination of this Agreement, the parties hereto shall be governed by the terms and provisions of the leases and contracts affecting the separate Tracts just as if this Agreement had never been entered into.

Notwithstanding any other provision in the leases unitized under this Agreement, Royalty Owners hereby grant Working Interest Owners a period of six months after termination of this Agreement in which to salvage, sell, distribute or otherwise dispose of the personal property and facilities used in connection with Unit Operations.

SECTION 25. RATE OF PROSPECTING, DEVELOPMENT AND PRODUCTION. All production and the disposal thereof shall be in conformity with allocations and quotas made or fixed by any duly authorized person or regulatory body under any Federal or State statute. The A.O. is hereby vested with authority to alter or modify from time to time, in his discretion, the rate of prospecting and development and within the limits made or fixed by the Division to alter or modify the quantity and rate of production under this Agreement, such authority being hereby limited to alteration or modification in the public interest, the purpose thereof and the public interest to be served thereby to be stated in the order of alteration or modification; provided, further, that no such alternation or modification shall be effective as to any land of the State of New Mexico as to the rate of prospecting and development in the absence of the specific written approval thereof by the Land Commissioner and as to any lands in the State of New Mexico or privately-owned lands subject to this Agreement or to the quantity and rate of production from such lands in the absence of specific written approval thereof by the Division.

Powers in this Section vested in the A.O. shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than fifteen (15) days from notice, and thereafter subject to administrative appeal before becoming final.

SECTION 26. NONDISCRIMINATION. Unit Operator in connection with the performance of work under this Agreement relating to leases of the United States, agrees to comply with all of the provisions of Section 202(1) to (7) inclusive of Executive Order 11246, (30 F.R. 12319), which are hereby incorporated by reference in this Agreement.

SECTION 27. APPEARANCES. Unit Operator shall have the right to appear for or on behalf of any interests affected hereby before the Land Commissioner, the Department, and the Division, and to appeal from any order issued under the rules and regulations of the Land Commissioner, the Department or the Division, or to apply for relief from any of said rules and regulations or in any proceedings relative to operations before the Land Commissioner, the Department or the Division or any other legally constituted authority; provided, however, that any other interested party shall also

have the right at his or its own expense to be heard in any such proceeding.

SECTION 28. NOTICES. All notices, demands, objections or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if made in writing and personally delivered to the party or parties or sent by postpaid certified or registered mail, addressed to such party or parties at their last known address set forth in connection with the signatures hereto or to the ratification or consent hereof or to such other address as any such party or parties may have furnished in writing to the party sending the notice, demand or statement.

SECTION 29. NO WAIVER OF CERTAIN RIGHTS. Nothing in this Agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the State wherein said Unitized Lands are located, or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive; provided, however, each party hereto covenants that it will not resort to any action to partition the unitized land or the Unit Equipment.

SECTION 30. EQUIPMENT AND FACILITIES NOT FIXTURES ATTACHED TO REALTY. Each Working Interest Owner has heretofore placed and used on its Tract or Tracts committed to this Agreement various well and lease equipment and other property, equipment and facilities. It is also recognized that additional equipment and facilities may hereafter be placed and used upon the Unitized Land as now or hereafter constituted. Therefore, for all purposes of this Agreement, any such equipment shall be considered to be personal property and not fixtures attached to realty. Accordingly, said well and lease equipment and personal property is hereby severed from the mineral estates affected by this Agreement, and it is agreed that any such equipment and personal property shall be and remain personal property of the Working Interest Owners for all purposes.

SECTION 31. UNAVOIDABLE DELAY. All obligations under this Agreement requiring the Unit Operator to commence or continue improved recovery operations or to operate on or produce Unitized Substances from any of the lands covered by this Agreement shall be suspended while, but only so long as, the Unit Operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State or municipal law or agency, unavoidable accident, uncontrollable delays in transportation, inability to obtain necessary materials or equipment in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

SECTION 32. NONJOINDER AND SUBSEQUENT JOINDER. Joinder by any Royalty Owner, at any time, must be accompanied by appropriate joinder of the corresponding Working Interest Owner in order for the interest of such Royalty Owner to be regarded as effectively committed. Joinder to this Agreement by a Working Interest Owner, at any time, must be accompanied by appropriate joinder to the Unit Operating Agreement in order for such interest to be regarded as effectively committed to this Agreement.

Any oil or gas interest in the Unitized Formations not committed hereto prior to submission of this Agreement to the Land Commissioner and the A.O. for final approval may thereafter be committed hereto upon compliance with the applicable provisions of this Section and of Section 14 (Tracts Qualified for Participation) hereof, at any time up to the Effective Date hereof on the same basis of Tract Participation as provided in Section 13, by the owner or owners thereof subscribing, ratifying, or consenting in writing to this Agreement and, if the interest is a Working Interest, by the owner of such interest subscribing also to the Unit Operating Agreement.

It is understood and agreed, however, that from and after the Effective Date hereof the right of subsequent joinder as provided

in this Section shall be subject to such requirements or approvals and on such basis as may be agreed upon by Working Interest Owners owning not less than sixty-five percent (65%) of the Unit Participation then in effect, and approved by the Land Commissioner and A.O. Such subsequent joinder by a proposed Working Interest Owner must be evidenced by his execution or ratification of this Agreement and the Unit Operating Agreement and, where State or Federal land is involved, such joinder must be approved by the Land Commissioner or A.O. Such joinder by a proposed Royalty Owner must be evidenced by his execution, ratification or consent of this Agreement and must be consented to in writing by the Working Interest Owner responsible for the payment of any benefits that may accrue hereunder in behalf of such proposed Royalty Owner. Except as may be otherwise herein provided, subsequent joinder to this Agreement shall be effective as of the first day of the month following the filing with the Land Commissioner and A.O. of duly executed counterparts of any and all documents necessary to establish effective commitment of any Tract or interest to this Agreement, unless objection to such joinder by the Land Commissioner or the A.O., is duly made sixty (60) days after such filing.

SECTION 33. COUNTERPARTS. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties and may be ratified or consented to by separate instrument in writing, specifically referring hereto, and shall be binding upon all those parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the land within the described Unit Area. Furthermore, this Agreement shall extend to and be binding on the parties hereto, their successors, heirs and assigns.

SECTION 34. JOINDER IN DUAL CAPACITY. Execution as herein provided by any party as either a Working Interest Owner or a Royalty Owner shall commit all interests owned or controlled by such party; provided, that if the party is the owner of a Working Interest, he must also execute the Unit Operating Agreement.

SECTION 35. TAXES. Each party hereto shall, for its own account, render and pay its share of any taxes levied against or measured by the amount or value of the Unitized Substances produced from the unitized land; provided, however, that if it is required or if it be determined that the Unit Operator or the several Working Interest Owners must pay or advance said taxes for the account of the parties hereto, it is hereby expressly agreed that the parties so paying or advancing said taxes shall be reimbursed therefor by the parties hereto, including Royalty Owners, who may be responsible for the taxes on their respective allocated share of said Unitized Substances. No taxes shall be charged to the United States or to the State of New Mexico, nor to any lessor who has a contract with a lessee which requires his lessee to pay such taxes.

SECTION 36. NO PARTNERSHIP. The duties, obligations and liabilities of the parties hereto are intended to be several and not joint or collective. This Agreement is not intended to create, and shall not be construed to create, an association or trust, or to impose a partnership duty, obligation or liability with regard to any one or more of the parties hereto. Each party hereto shall be individually responsible for its own obligation as herein provided.

SECTION 37. PRODUCTION AS OF THE EFFECTIVE DATE. Unit Operator shall make a proper and timely gauge of all leases and other tanks within the Unit Area in order to ascertain the amount of merchantable oil above the pipeline connection, in such tanks as of 7:00 a.m. on the Effective Date hereof. All such oil which has then been produced in accordance with established allowables shall be and remain the property of the Working Interest Owner entitled thereto, the same as if the unit had not been formed; and the responsible Working Interest Owner shall promptly remove said oil

from the unitized land. Any such oil not so removed shall be sold by Unit Operator for the account of such Working Interest Owners, subject to the payment of all Royalty to Royalty Owners under the terms hereof. The oil that is in excess of the prior allowable of the wells from which it was produced shall be regarded as Unitized Substances produced after Effective Date hereof.

If, as of the Effective Date hereof, any Tract is over-produced with respect to the allowable of the wells on that Tract and the amount of over-production has been sold or otherwise disposed of, such over-production shall be regarded as a part of the Unitized Substances produced after the Effective Date hereof and shall be charged to such Tract as having been delivered to the parties entitled to Unitized Substances allocated to such Tract.

SECTION 38. NO SHARING OF MARKET. This Agreement is not intended to provide and shall not be construed to provide, directly or indirectly, for any cooperative refining, joint sale or marketing of Unitized Substances.

SECTION 39. STATUTORY UNITIZATION. If and when Working Interest Owners owning at least seventy-five percent (75%) Unit Participation and Royalty Owners owning at least seventy-five percent (75%) Royalty Interest have become parties to this Agreement or have approved this Agreement in writing and such Working Interest Owners have also become parties to the Unit Operating Agreement, Unit Operator may make application to the Division for statutory unitization of the uncommitted interests pursuant to the Statutory Unitization Act (Chapter 65, Article 14, N.M.S. 1953 Annotated). If such application is made and statutory unitization is approved by the Division, then effective as of the date of the Division's order approving statutory unitization, this Agreement and/or the Unit Operating Agreement shall automatically be revised and/or amended in accordance with the following:

(1) Section 14 of this Agreement shall be revised by substituting for the entire said section the following:

"SECTION 14. TRACTS QUALIFIED FOR PARTICIPATION. On and after the Effective Date hereof, all Tracts within the Unit Area shall be entitled to participation in the production of Unitized Substances."

(2) Section 24 of this Agreement shall be revised by substituting for the first three paragraphs of said section the following:

"SECTION 24. EFFECTIVE DATE AND TERM. This Agreement shall become effective on the first day of the calendar month next following the effective date of the Division's order approving statutory unitization upon the terms and conditions of this Agreement, as amended (if any amendment is necessary) to conform to the Division's order; approval of this Agreement, as so amended, by the Land Commissioner; and the A.O. and the filing by Unit Operator of this Agreement or notice thereof for record in the office of the County Clerk of Lea County, New Mexico. Unit Operator shall not file this Agreement or notice thereof for record, and hence this Agreement shall not become effective, unless within ninety (90) days after the date all other prerequisites for effectiveness of this Agreement have been satisfied, such filing is approved by Working Interest Owners owning a combined Unit Participation of at least sixty-five percent (65%) as to all Tracts within the Unit Area.

"Unit Operator shall, within thirty (30) days after the Effective Date of this Agreement, file for record in the office of the County Clerk of Lea County, New Mexico, a certificate to the effect that this Agreement has become effective in accordance with its terms, therein identifying the Division's order approving statutory unitization and stating the Effective Date."

(3) This Agreement and/or the Unit Operating Agreement shall be amended in any and all respects necessary to conform to the Division's order approving statutory unitization.

Any and all amendments of this Agreement and/or the Unit Operating Agreement that are necessary to conform said agreements to the Division's order approving statutory unitization shall be deemed to be hereby approved in writing by the parties hereto without any necessity for further approval by said parties, except as follows:

(a) If any amendment of this Agreement has the effect of reducing any Royalty Owner's participation in the production of Unitized Substances, such Royalty Owner shall not be deemed to have hereby approved the amended agreement without the necessity of further approval in writing by said Royalty Owner; and

(b) If any amendment of this Agreement and/or the Unit Operating Agreement has the effect of reducing any Working Interest Owner's participation in the production of Unitized Substances or increasing such Working Interest Owner's share of Unit Expense, such Working Interest Owner shall not be deemed to have hereby approved the amended agreements without the necessity of further approval in writing by said Working Interest Owner.

Executed as of the day and year first above written.

GULF OIL CORPORATION *KB*

By *L. A. Turner*

Attorney-in-Fact

Date of Execution:

June 22, 1984

THE STATE OF TEXAS §

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this  
22nd day of June, 1984, by L. A. Turner  
Attorney-in-Fact, for/of Gulf Oil Corporation  
a Pennsylvania  
corporation, on behalf of said corporation.

My Commission Expires:

7-30-88

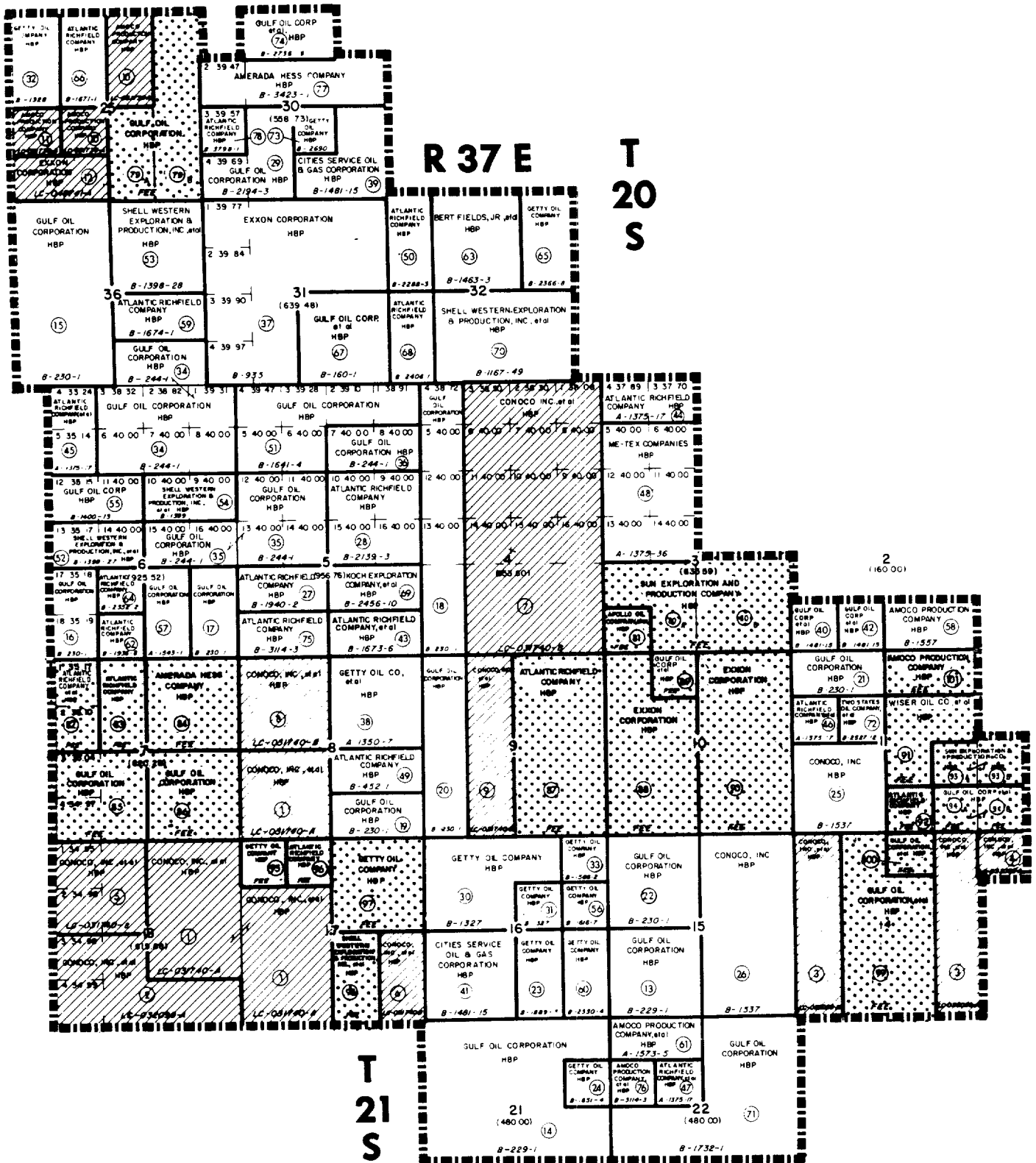
*Carolyn D. Larson*

R 36 E

T 20 S

R 37 E

T 20 S



R 36 E

T 21 S

13 (40.00)

EXHIBIT "A"

# EUNICE MONUMENT SOUTH UNIT AREA

LEA COUNTY, NEW MEXICO

UNIT EFFECTIVE 2-1-85

Rev. 10-4-84

Rev. 2-1-85

**GULF OIL CORPORATION**  
MIDLAND, TEXAS

	ACREAGE	PERCENTAGE
FEDERAL LANDS	2,734.76	19.27 %
STATE LANDS	8,274.80	58.32 %
PATENTED LANDS	3,180.28	22.41 %
TOTAL	14,189.84	100.00 %

UNIT OUTLINE (thick black line)      (3) TRACT NUMBER

1/2 0 1

SCALE IN MILES

NOTE: UNLESS OTHERWISE INDICATED THE VARIOUS SECTIONS ON THIS PLAT CONTAIN 640.00 ACRES

EXHIBIT "B"

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS  
IN ACCORDANCE WITH THE PARTICIPATION FORMULA FOR THE UTILIZED FORMATION FOR THE  
EUNICE MONUMENT SOUTH UNIT AREA  
LEA COUNTY, NEW MEXICO

February 1, 1985

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
Federal Lands:								
1. Meyer "A-1" (was Tract 81)	R21S-R36E, N.M.P.M. Sec. 8: SW $\frac{1}{4}$ Sec. 17: SW $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 18: NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$	640.00	LC-031740-A HBP 2-19-31 Exchanged 2-1-51	U.S.A.  Schedule "C"	A. E. Meyer	Atlantic Richfield Co. .92105 Helen L. Bedford .01842 Henry De Graffenreid Bedford .01842 Rachel Bedford Bowen .01842 Triton Oil & Gas Corp. .11513 Charles H. Coll .13239 Jon F. Coll .13239 James N. Coll .13241 Max W. Coll, II .13241 Etz Oil Properties, Inc. .17269 George H. Etz, Jr., Trustee of George H. Etz, Sr. Trust .17269 Ima Hays .30703 Kirby Exploration Co. .57422 Munro L. Lyeth and Patricia D. Lyeth, First of Denver A/C 11033-00-8 .41447 Onez Norman Rooney .41447 Ellis Rudy .00143 Alann P. Bedford, Trustee Alann P. Bedford Trust .01842 Southland Royalty Co. 1.38158	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	8.308758

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
2. Lockhart "A-18" (was Tract 82)	T21S-R36E, N.M.P.M. Sec. 18: Lots 3,4, E½SW¼ S½ SE¼	229.97	LC-032099-A HBP 6/23/31 Exchanged 6-1-51	U.S.A. Schedule "C"	Conoco Inc. Amoco Production Company Atlantic Rich- field Company Chevron U.S.A. Inc.	David M. Warren, Jr. 1.38158 Ellen Anne W. Williams .01842 Annabel Winingham .15354 The Wiser Oil Co..27631  Amax Petroleum Corp. .05555* Amoco Production Co. .66667* Betty B. Beare .00130* Beatrice Christman Bell Estate .00782* Cecil P. Bordages, II .07291* Joyce Bordages .07292* Boys Clubs of America .03333* Braille Institute of America Agency No. 631-00 .61727* Kathryn M. Byrd .00348* Jean K. Cline .00347* Richard L. Cline, Jr. .00347* Virginia M. Drake.00521* Elks Nat'l Fdn, New England Merchants Nat'l Bank, Boston .03333* Elliot Oil Company .16667* Etz Oil Properties, Inc. .25000* George H. Etz, Jr., Trustee George H. Etz, Sr. Trust .25000* First Nat'l Bank Denver, Trustee U/W of Josephine M. Smith, Dec'd .37292* Barbara Christman Farrell .00130* Dolores Gilmer Helrs .00390* Manufacturers Hanover Trust Co. Oil Successor Trustee	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.921406



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
						U/A dated 4-30-56 as amended M/B and for Charles Gutman .02777*		
						Daniel L. Gutman, Trustee U/W of Max Gutman, Dec'd .05556*		
						Betty Guttag .02778*		
						Higgins Trust, Inc. .33333*		
						Mary Jane Hyman .02778*		
						Mary Jane Hyman, Ind. Exrx. Est. of Jack F. Hyman, Dec'd .02778*		
						Burford I. King, Trustee I .04167*		
						Patrick J. Leonard .05556*		
						Robert J. Leonard.05555*		
						Timothy T. Leonard .05555*		
						Mary J. & Art V. McKone, JT .04167*		
						Mobil Oil Corporation .33333*		
						Mobil Oil Corp., Attn. Crude Oil & Gas Liquids Acctg. Sec. .33333*		
						New Mexico Boys Ranch Inc. .03334*		
						David M. Pedley .00556*		
						John C. Pedley .00556*		
						Lawrence L. Pedley .00555*		
						T. A. Pedley, Jr..01666*		
						Mrs. Reede Christman Ross .00130*		
						Regents of Univ. of Colo. .01389*		
						Regents of Univ. of NM .03334*		
						Republic Nat'l Bank Dallas Test. Trustee Selma E. Andrews Tr. No. 5188-00 .71606*		
						Jackson L. Sadler.02778*		
						Shattuck-St. Mary's Schools .03333*		

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
3. Lockhart "B-14" (was Tract 97)	T21S-R36E, N.M.P.M. Sec. 14: <del>W25N2 E36E2</del>	320.00	LC-032099-B HBP 6/23/31 Exchanged 7/1/52	U.S.A. Schedule "D"	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A Inc.	None      Edith G. Socolow & A. Walter Socolow, Trustees U/A dated 11-24-76 .05556* Texaro Oil Company .01389*	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.647555
4. Lockhart "B-13" (was Tract 116)	T21S-R36E, N.M.P.M. Sec. 13: <del>NW/4 NW/4</del>	40.00	LC-032099-B HBP 6/23/31 Exchanged 7/1/52	U.S.A. Schedule "D"	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	None      	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.070883
5. Meyer "B-18" (was Tract 80)	T21S-R36E, N.M.P.M. Sec 18: <del>Lots 1, 2, E2NW2</del>	149.91	LC-031740-B HBP 10/26/34 Exchanged 10/1/54 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None      	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.254760
6. Meyer "B-17" (was Tract 87)	T21-T36E, NM,MP.M. Sec. 17: <del>E2SE2</del>	80.00	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None      	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.323144

\*By court decision, oil production ORRI is 6.90789% when average leasehold production per well is more than 15 BPD, and by agreement, ORRI on oil is 5% when average production per well per day is 15 bbls or less.

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
7. Meyer "B-4" (was Tract 48)	T21S-R36E, N.M.P.M. Sec. 4: Lot 1,2,3,6, 7,8,9,10,11, 14,15,16, E½SW¼, SE¼	714.88	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	6.664506
8. Meyer "B-8" (was Tract 59)	T21S-R36E, N.M.P.M. Sec. 8: NW¼	160.00	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	9.059453
9. Meyer "B-9" (was Tract 65)	T21S-R36E, N.M.P.M. Sec. 9: E½NW¼	160.00	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	1.326104
10. Gillyuly "A" (was Tract 3)	T20S-R36E, N.M.P.M. Sec. 25: W½NE¼, NE¼SW¼	120.00	LC-031736-A HBP 3/30/37 Exchanged 3/1/57	U.S.A. Schedule "C"	Amoco Production Company	Selma E. Andrews Trust #5188 2.68525 C. R. Brauchli .01116 Roy P. and Doris M. Dolley .25000 Clardean Gallant.12500 Marvin G. Jenkins.25000 Leonard D. Keefer.37500 Julia H. Payne .01696 Julia H. Payne, individually and as Trustee u/w of Weston Payne .02768 Ethel R. Pease Trust and Ethel R. Pease, Trustee under Declaration of Trust dated 4/19/77 .25000 Union Texas Petroleum Corporation .32366 (When production is in excess of 15 BOPD, and .21580 when 15 BOPD or less) Elmer H. Wahl, Inc. .04465	Amoco Production Company 100%	.584461



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
STATE LANDS:								
13. J.F. Janda (NCT-C) (was Tract 95)	T21S-R36E, N.M.P.M. Sec. 15: SW $\frac{1}{2}$	160.00	B-229-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	1.055350
14. Arnett-Ramsay (NCT-C) (was Tract 102)	T21S-R36E, N.M.P.M. Sec. 21: NW $\frac{1}{2}$ , N $\frac{1}{2}$ SW $\frac{1}{2}$ N $\frac{1}{2}$ NE $\frac{1}{2}$ , SW $\frac{1}{2}$ NE $\frac{1}{2}$ , N $\frac{1}{2}$ SE $\frac{1}{2}$	440.00	B-229-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	2.739613
15. R.R. Bell (NCT- F) (was Tract 17)	T20S-R36E, N.M.P.M. Sec. 36: W $\frac{1}{2}$	320.00	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	3.195507
16. R.R. Bell (NCT- D) (was Tract 35)	T21S-R36E, N.M.P.M. Sec. 6: Lots 17,18	70.37	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.682139
17. R.R. Bell (NCT- B) (was Tract 38)	T21S-R36E, N.M.P.M. Sec. 6: E $\frac{1}{2}$ SE $\frac{1}{2}$	80.00	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	3.726787
18. Bell-Ramsey (NCT- A) (was Tract 47)	T21S-R36E, N.M.P.M. Sec. 4: Lots 4,5, 12,13 W $\frac{1}{2}$ SW $\frac{1}{2}$	238.72	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	1.459570
19. R.R. Bell (NCT- A) (was Tract 63)	T21S-R36E, N.M.P.M. Sec. 8: S $\frac{1}{2}$ SE $\frac{1}{2}$	80.00	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.426101
20. Bell-Ramsey (NCT- A) (was Tract 64)	T21S-R36E, N.M.P.M. Sec. 9: W $\frac{1}{2}$ W $\frac{1}{2}$	160.00	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.796347
21. R.R. Bell (NCT- E) (was Tract 71)	T21S-R36E, N.M.P.M. Sec. 11: N $\frac{1}{2}$ NW $\frac{1}{2}$	80.00	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.355963
22. R.R. Bell (NCT- C) (was Tract 94)	T21S-R36E, N.M.P.M. Sec. 15: NW $\frac{1}{2}$	160.00	B-230-1 HBP 2/28/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	2.683321
23. State "D" (was Tract 92)	T21S-R36E, N.M.P.M. Sec. 16: W $\frac{1}{2}$ SE $\frac{1}{2}$	80.00	B-1889-3 HBP 6/8/28	State of New Mexico 12 $\frac{1}{2}$	Cetty Oil Company	None	Cetty Oil Company 100%	.918559

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
24. State "G" (was Tract 103)	<u>T21S-R36E, N.M.P.M. Sec. 21: SE<math>\frac{1}{2}</math>NE<math>\frac{1}{2}</math></u>	40.00	B-1651-4 HBP 9/18/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.277424
25. State "D"- Battery 2 (was Tract 75)	<u>T21S-R36E, N.M.P.M. Sec. 11: SW<math>\frac{1}{2}</math></u>	160.00	B-1537 HBP 9/25/28	State of New Mexico 12 $\frac{1}{2}$	Conoco Inc.	None	Conoco Inc. 100%	.474353
26. State "D" (was Tract 96)	<u>T21S-R36E, N.M.P.M. Sec. 15: E<math>\frac{1}{2}</math></u>	320.00	B-1537 HBP 9/25/28	State of New Mexico 12 $\frac{1}{2}$	Conoco Inc.	None	Conoco Inc. 100%	1.957890
27. State "E" (was Tract 43)	<u>T21S-R36E, N.M.P.M. Sec. 5: N<math>\frac{1}{2}</math>SW<math>\frac{1}{2}</math></u>	80.00	B-1940-2 HBP 10/1/28	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Company 100%	2.680609
28. State "H" (was Tract 42)	<u>T21S-R36E, N.M.P.M. Sec. 5: Lots 9,10, 15, 16</u>	160.00	B-2139-3 HBP 10/5/28	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Company 100%	.934498
29. Sunshine (was Tract 10)	<u>T20S-R37E, N.M.P.M. Sec. 30: Lot 4, E<math>\frac{1}{2}</math>SW<math>\frac{1}{2}</math></u>	119.69	B-2194-3 HBP 10/26/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.405359
30. Skelly"B" State (was Tract 88)	<u>T21S-R36E, N.M.P.M. Sec. 16: NW<math>\frac{1}{2}</math>, NE<math>\frac{1}{2}</math>NE<math>\frac{1}{2}</math></u>	200.00	B-1327 HBP 11/2/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Co. Company 100%	1.328423
31. Mexico "V" (was Tract 117)	<u>T21S-R36E, N.M.P.M. Sec. 16: SW<math>\frac{1}{2}</math>NE<math>\frac{1}{2}</math></u>	40.00	B-1327 HBP 11/2/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.137520
32. Skelly 'H' State (was Tract 1)	<u>T20S-R36E, N.M.P.M. Sec. 25: W<math>\frac{1}{2}</math>NW<math>\frac{1}{2}</math></u>	80.00	B-1328 HBP 11/2/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.427150
33. State "AW" (was Tract 89)	<u>T21S-R36E, N.M.P.M. Sec. 16: NE<math>\frac{1}{2}</math>NE<math>\frac{1}{2}</math></u>	40.00	B-1566-2 HBP 11/20/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.169794
34. H. T. Orcutt (NCT-C) (was Tract 20)	<u>T20S-R36E, N.M.P.M. Sec. 36: S<math>\frac{1}{2}</math>SE<math>\frac{1}{2}</math> T21S-R36E, N.M.P.M. Sec. 6: Lots 1,2,3, 6,7,8</u>	316.45	B-244-1 HBP 11/22/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	3.559765

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35. H. T. Orcutt (NCT-A) (was Tract 34)	T21S-R36E, N.M.P.M. Sec. 5: Lots 11,12, 13, 14  Sec. 6: Lots 15, 16	240.00	B-244-1 HBP 11/22/28	State of New Mexico 12½	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	1.701394
36. H. T. Orcutt (NCT-B) (was Tract 40)	T21S-R36E, N.M.P.M. Sec. 5: Lots 7,8	80.00	B-244-1 HBP 11/22/28	State of New Mexico 12½	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.361025
37. Aggies State (was Tract 21)	T20S-R37E, N.M.P.M. Sec. 31: Lots 1,2, 3,4 E½W½, NE½	479.48	B-935 HBP 11/22/28	State of New Mexico 12½	Exxon Corporation	None	Exxon Corporation 100%	1.962315
38. State "A" (was Tract 60)	T21S-R36E, N.M.P.M. Sec. 8: NE½	160.00	A-1350-7 HBP 11/26/28	State of New Mexico 12½	Gulf Oil Corporation Getty Oil Company Sun Exploration and Production Company	None	Gulf Oil Corporation 50% Getty Oil Company 25% Sun Exploration and Production Company 25%	1.770012
39. State "F" (was Tract 13)	T20S-R37E, N.M.P.M. Sec. 30: E½SE½, SW½SE½	120.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Service Oil & Gas Corporation	None	Cities Service Oil & Gas Corporation 100%	.244360
40. Rasmussen State (was Tract 13)	T21S-R36E, N.M.P.M. Sec. 2: SW½SW½	40.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Service Oil & Gas Corporation	Pinto Exploration Company .84875	Gulf Oil Corp. 66.6666% Carl Pfluger 33.3333%	.076549075
41. State "C" (was Tract 91)	T21S-R36E, N.M.P.M. Sec. 16: SW½	160.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Services Oil & Gas Corporation	None	Cities Service Oil & Gas Corporation 100%	.751093
42. State "G" (was Tract 113)	T21S-R36E, N.M.P.M. Sec. 2: SE½SW½	40.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Service Oil & Gas Corporation	None	Gulf Oil Corp. 50% Carl Pfluger 50%	.064967
43. State "C" (was Tract 46)	T21S-R36E, N.M.P.M. Sec. 5: S½SE½	80.00	B-1673-6 HBP 11/30/28	State of New Mexico 12½	Atlantic Richfield Co. Getty Oil Co.	None	Atlantic Richfield Company 50% Getty Oil Co. 50%	1.269324
44. State "L" (was Tract 49)	T21S-R36E, N.M.P.M. Sec. 3: Lots 3,4	75.59	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Company 50% *Catron W.I. 50%	.126788

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45. State "L" Battery 2 (was Tract 28)	<u>T21S-R36E, N.M.P.M. Sec. 6: Lots 4,5,</u>	68.38	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. *Catron W.I. 50%	.477689
46. State "L" - Battery 3 (was Tract 72)	<u>T21S-R36E, N.M.P.M. Sec. 11: <del>SW¼NW¼</del></u>	40.00	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. *Catron W.I. 50%	.270790
47. State "L" - Battery 4 (was Tract 106)	<u>T21S-R36E, N.M.P.M. Sec. 22: <del>SE¼NW¼</del></u>	40.00	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Company	None	Atlantic Richfield Company *Catron W.I. 50%	.265867
48. Wallace State (was Tract 50)	<u>T21S-R36E, N.M.P.M. Sec. 3: Lots 5,6, 11,12,13,14</u>	240.00	A-1375-36 HBP 12/5/28	State of New Mexico 12½	Thomas B. Catron, III and John S. Catron	Thomas B. Catron, III and John S. Catron 12.5%	Me-Tex Supply Company 87.5% Thomas B. Catron, III and John S. Catron 6.25% Thomas B. Catron, III Trustee U/W/O Sue C. Bergere 6.25%	.290369
49. State "B" (was Tract 62)	<u>T21S-R36E, N.M.P.M. Sec. 8: <del>N½SE¼</del></u>	80.00	B-452-1 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.751002
50. State "O" (was Tract 23)	<u>T20S-R37E, N.M.P.M. Sec. 32: <del>W½NW¼</del></u>	80.00	B-2288-3 HBP 12/13/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.050367
51. Healsey State (was Tract 39)	<u>T21S-R36E, N.M.P.M. Sec. 5: Lots 1,2,3, 4,5,6</u>	236.76	B-1641-4 HBP 12/17/28	State of New Mexico 12½	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	2.723870
52. State "F" (was Tract 33)	<u>T21S-R36E, N.M.P.M. Sec. 6: Lots 13,14</u>	75.17	B-1398-27 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc. and El Paso Natural Gas Co.	None	Shell Western Exploration & Production, Inc. 100%	.237670
53. State "K" (was Tract 18)	<u>T20S-R36E, N.M.P.M. Sec. 36: <del>NE¼</del></u>	160.00	B-1398-28 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc. and El Paso Natural Gas Co.	None	Shell Western Exploration & Production, Inc. 100%	5.112412
54. State "EF" (was Tract 32)	<u>T21S-R36E, N.M.P.M. Sec. 6: Lots 9,10</u>	80.00	B-1399-15 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc.	None	Shell Western Exploration & Production, Inc.	.485839



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55. State "G" (was Tract 31)	<u>T21S-R36E, N.M.P.M. Sec. 6: Lots 11,12</u>	75.15	B-1400-13 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc. and El Paso Natural Gas Co.	None	Gulf Oil Corp. 100%	.221097
56. State "AX" (was Tract 90)	<u>T21S-R36E, N.M.P.M. Sec. 16: SE¼NE¼</u>	40.00	B-1616-7 HBP 12/27/28	State of New Mexico 12½	Getty Oil Company	None	Getty Oil Co. 100%	.186322
57. Graham State (NCT-"E") (was Tract 37)	<u>T21S-R36E, N.M.P.M. Sec. 6: W¼SE¼</u>	80.00	A-1543-1 HBP 12/29/28	State of New Mexico 12½	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.520475
58. State "G"- Tract 11 (was Tract 114)	<u>T21S-R36E, N.M.P.M. Sec. 2: S¼SE¼</u>	80.00	B-1557 HBP 12/29/28	State of New Mexico 12½	Amoco Production Company	None	Amoco Production Company 100%	.031885
59. State "W" (was Tract 19)	<u>T20S-R36E, N.M.P.M. Sec. 36: N¼SE¼</u>	80.00	B-1674-1 HBP 12/31/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.882435
60. State "E" (was Tract 93)	<u>T21S-R36E, N.M.P.M. Sec. 16: E¼SE¼</u>	80.00	B-2330-4 HBP 12/31/28	State of New Mexico 12½	Getty Oil Co.	None	Getty Oil Co. 100%	.559636
61. State "I" (was Tract 104)	<u>T21S-R36E, N.M.P.M. Sec. 22: N¼NW¼</u>	80.00	A-1573-5 HBP 1/3/29	State of New Mexico 12½	Amoco Production Company	First National Bank of Midland, Trustee of the Dorothy Louise Henderson Trust No. 862 .13021 First National Bank of Midland, Independent Executor of the Estate of A.N. Hendrickson Trust No. 1851 1.56250 First National Bank of Midland Trustee of the Jeanne Edna Hunt Trust No. 863 .13021 First National Bank of Midland, Trustee of the Patricia Olson Trust No. 2090-12 .01953 First National Bank of Midland, Trustee of the Deborah K. Thompson Trust	Amoco Production Company 100%	.391924

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62. State "K" (was Tract 36)	<u>T21S-R36E, N.M.P.M. Sec. 6: SE<math>\frac{1}{4}</math>SW<math>\frac{1}{4}</math></u>	40.00	B-1936-8 HBP 1/11/29	State of New Mexico 12%	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.158116
63. Turner State	<u>T20S-R37E, N.M.P.M. Sec. 32: E<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math>, W<math>\frac{1}{2}</math>NE<math>\frac{1}{4}</math></u>	160.00	B-1463-3 HBP 1/11/29	State of New Mexico 12%	Bert Fields, Jr.	First Hutchings-Sealy National Bank of Galveston .285	F. W. Turner, Jr. Estate 37.5% Bert Fields, Jr. 25% J. F. Shelby Agency 25% **Gulf (EMSU Group) 12.500%	.232476*

(A) (Was Tract 24) Sec. 32: E $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{2}$ NE $\frac{1}{4}$  (120.00)

\*(.203418)

% of Tract Par-

ticipation:

F.W. Turner,

Jr. Estate

32.1429%\*

Bert Fields, Jr.

28.5714%\*

J.F. Shelby

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
(B) (Was Tract 118)	Sec. 32: NW $\frac{1}{2}$ NE $\frac{1}{4}$	( 40.00)					Fred Turner, Jr. Estate 75.00%* **Gulf (EMSU Group) 25.00%*	*(.029058)
64. State "K" (was Tract 36)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 6: NE<math>\frac{1}{2}</math>SW<math>\frac{1}{4}</math></u>	40.00	B-2352-2 HBP 1/11/29	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.067881
65. State "AY" (was Tract 25)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 32: E<math>\frac{1}{2}</math>NE<math>\frac{1}{4}</math></u>	80.00	B-2366-8 HBP 1/11/29	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Co.	None	Getty Oil Co. 100%	.009005
66. State "P" (was Tract 2)	<u>T20S-R36E, N.M.P.M.</u> <u>Sec. 25: E<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math></u>	80.00	B-1671-1 HBP 1/14/29	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.512798
67. State "H"(NCT-1) (was Tract 22)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 31: SE<math>\frac{1}{4}</math></u>	160.00	B-160-1 HBP 1/15/29	State of New Mexico 12 $\frac{1}{2}$	Texaco Inc.	None	**Gulf (EMSU Group) 100%	.635532
68. State "196" (was Tract 26)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 32: W<math>\frac{1}{2}</math>SW<math>\frac{1}{4}</math></u>	80.00	B-2406-1 HBP 1/15/29	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.220246
69. State "A" (was Tract 44)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 5: N<math>\frac{1}{2}</math>SE<math>\frac{1}{4}</math></u>	80.00	B-2456-10 HBP 2/26/29	State of New Mexico 12 $\frac{1}{2}$	Koch Industries Inc.	Stephen L. Chandler 14.0625% Wells Fargo Bank, Tr. FBO Tupper Ansel Blake 14.0625% Smiser Investment Co. 9.375%	Koch Exploration Co. 95% First National Bank Wichita, Trustee U/M of William E. Perdew 5%	.343778
70. State "J" (was Tract 27)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 32: SE<math>\frac{1}{4}</math>, E<math>\frac{1}{2}</math>SW<math>\frac{1}{4}</math></u>	240.00	B-1167-49 HBP 9/15/32	State of New Mexico 12%	El Paso Natural Gas Company and Shell Western Exploration and Production, Inc.	None	Shell Western Exploration and Production, Inc. 100%	.287522
71. Harry Leonard (NCT-A) (was Tract 107)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 22: NE<math>\frac{1}{4}</math>, N<math>\frac{1}{2}</math>SW<math>\frac{1}{4}</math></u> <u>N<math>\frac{1}{2}</math>SE<math>\frac{1}{4}</math></u>	320.00	B-1732-1 HBP 2/28/33	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.825987

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				est. of Nellie P. Hyland, Dec'd. .000000			
				Rita S. Holch .167400			
				Charles H. Sanford, Jr.,.167400			
				James D. Corbett .056800			
				John L. Frothingham .334800			
				Rhea S. Greenwood .167500			
				Albert Muldavin .133900			
				Charles Spencer Sarnoff,.167400			
				Est. of O. L. Coleman Dec'd			
				c/o Emma Liston Archer Trst.			
				.395800			
				American State Bank, TTEE of			
				James Robert Nislar Tr.			
				.048825			
				American State Bank, TTEE of			
				O. L. Nislar, Jr. Tr. .048825			
				Ora Lee Nislar .097650			
				First National Bank and Vena			
				H. Long, Ind. Exec. est. of			
				F. O. Long, Dec'd.			
				No. 222-05963 .001000			
				Mobil-G. C. Corporation			
				L.562500			
				Eunice Cone Gibson .117200			
				Everett R. Jones, Jr. .015400			
				Charles W. Grimes II and Philo			
				W. Grimes, TTEE of the C. W.			
				Grimes Trust .302800			
				Mrs. Exor Megan, Gdn. of Est.			
				of Maude Eagle Pfouts NCM			
				.000500			
				Mobil Oil Corporation 3.125000			
				Nancy Eliz. Penson 1.069700			
				Petrust Corp. of America			
				.166700			
				James E. Wallace, Ind. Exec. of			
				Est. of Paul H. Pewett			
				.146500			
				Mrs. Mary Vern Ransom .208300			
				Francis K. Royall .003100			
				John R. Royall Trustee U/W of			
				N. R. Royall, Jr. Dec'd.			
				.000700			
				N. R. Royall, III Trustee U/W			
				of N. R. Royall, Jr. Dec'd.			
				.000700			
				Tucker K. Royall, Trustee U/W			
				of N. R. Royall, Jr. Dec'd.			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
81. Akens (was Tract 52)	T21S-R36E, N.M.P.M. Sec. 3: SW <sup>1</sup> / <sub>4</sub> SW <sup>2</sup> / <sub>4</sub>	40.00	HBP	<p> Jack L. Hart .000700  Georgia A. Stieren Ind. Execx.  of Est. of Jack Stieren, Dec'd.  .015200  W. F. F. Holding Inc. c/o  Chemical Bank Acct. No.  092-016073 .041600  Nora Walker .000500  J. H. Williams .195300 </p> <p> Sun Exploration &amp; Production  Company 1.171870  Abraham Abramson Est. .468750  Allis Varga Corbett .029300  Jo Layne Anlry .078120  David Armstrong Bower, Indiv. and  as Agent .023120  Getty Oil Company 1.171870  Tortuga Oil and Gas, Inc.  .001630  Tortuga Oil and Gas, Inc.  .003270  Tortuga Oil and Gas, Inc.  .001640  James E. Wallace, Indep. Exec.  of Est. of Paul H. Pewitt  .146480  Penn Brothers, Inc. .178250  Rosemann Mahoney, Exrx. of Est.  of Nelle P. Hyland .087890  J. R. Bower, Jr. .067860  Marjorie Cone Kastman .253900  Petrust Corp. of America.08330  Petroleum Landowners Corp., Ltd.  .703120  Mary Vern Ransom .104170  WEF Holding Incorporated.020830  Emma Liston Archer, Trustee  U/W of O. L. Coleman .197920  James D. Corbett .091150  Eunice Cone Gibson .117190  Everett R. Jones, Jr. .003850  Everett R. Jones, Jr. .003860  Nancy Elizabeth Penson .534860  John R. Royall, Trustee of the  John R. Royall Trust, U/W of  N. R. Royall, Jr. .000349  Liston Archer .010430  Atlantic Richfield Company </p>	None	Kenneth R. Boss 50% Apollo Oil Company 25% S&S Engineering 25%	.435944

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				Atlantic Richfield Company			
				.833340			
				S. E. Cone, Jr.			
				.208330			
				.253910			
				John L. Frothingham			
				1.171880			
				Rhea S. Greenwood			
				.585940			
				Carl E. Holch & Rita S. Holch			
				.585935			
				Katherine Adeline Cone Keck			
				.253910			
				Grace M. Larson			
				.000260			
				Philo W. Grimes and Charles W.			
				Grimes, II, Trustees of the			
				C. W. Grimes Trust			
				.224610			
				Mobil Producing Texas and New			
				Mexico			
				.781250			
				Albert Muldavin			
				.468750			
				Ora Lee Nislar			
				.097660			
				American State Bank, Trustee			
				of O. L. Nislar, Jr. Trust			
				.048830			
				American State Bank, Trustee			
				of James Robert Nislar Trust			
				.048830			
				Mrs. Frances K. Royall			
				.000520			
				Mrs. Frances K. Royall			
				.001045			
				Jack Hart			
				.001400			
				Jack Hart			
				.000260			
				John R. Royall and Tucker R.			
				Royall, Ind. Exec. of Est. of			
				Fannie May Royall			
				.002610			
				John R. Royall, Trustee of the			
				N. R. Royall, III Trust			
				.000348			
				John R. Royall, Trustee of the			
				Tucker K. Royall Trust U/M of			
				N. R. Royall, Jr.			
				.000348			
				Charles H. Sanford, Jr. and			
				Virginia L. Sanford			
				.585935			
				Charles Spencer Sarnoff			
				.585930			
				Georgia Ann Stieren, Indep.			
				Exrx of Est. of Jack Stieren			
				.007590			
				.007590			
				.000260			
				Nora Walker			
				Elizabeth G. Williams, Personal			
				Representative of Est. of			
				J. H. Williams			
				.195310			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
82. H.L. Houston (was Tract 53)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 7: Lots 1,2</u>	70.27	HBP	Amoco Production Company 1.17188 Archbishopric of New York 2.29690  Atlantic Richfield Company 3.51570 Bradley Resources Corp. .39070 R. H. Brin, Jr. .03250 Jessie Blevins Crump, David C. Blevins and Ft. Worth Nat'l Bank, Trustees U/W of Jones Lester Crump, Acct. #2312 .39060 RepublicBank First Nat'l Midland and Jessie Blevins Crump, Co- Trustees, Trust #1069 .39060 Jacqueline Brin Goldberg.03260 F. C. Gottesman .06510 Daniel L. Gutman, Indep. Exec. of Est. of Max Gutman .06510 A. F. Houston 3.12500 Mary Jane Hyman .03260 Mary Jane Hyman, Trustee U/W of Jack F. Hyman .03250 B. I. King Trust #1 .04880 Edith Socolow and A. Walter Socolow, Trustees U/A dated 11-24-76 .06510 Edith Fabyn Read, Alexander Duncan Read and Howard E. Cox, Trustees U/W of William A. Read .39070 Texaro Oil Company .01620 W. B. Watson, Agent and Attorney-in-fact .43750	None	Atlantic Richfield Company 50% Getty Oil Company 50%	.500113
83. H. L. Houston "MA" (was Tract 54)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 7: E<sup>1</sup>/<sub>2</sub>NW<sup>1</sup>/<sub>4</sub></u>	80.00	HBP	Atlantic Richfield Company 3.12500 Atlantic Richfield Company .39062 Bradley Resources Corp. .39062 Royal H. Brin, Jr. .03256 Jessie Blevins Crump and RepublicBank First Nat'l Midland, Co-Trustees, Trust No. 1069 .39062 Jessie B. Crump, David C. Blevins and The Fort Worth	None	Atlantic Richfield Company 100%	.192757

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE		OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT			
84. Houston (was Tract 55)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 7: NE<del>1</del><sub>2</sub></u>	160.00	HBP	Nat'l Bank, Trustees of the Joe and Jessie Crump Fund Acct. 2312 .39063 Jacqueline Brin Goldberg.03256 Morris & Fay C. Gottesman .06510		None	Amerada Hess Corporation 100%	1.153271			
				Daniel L. Gutman, Trustee u/w/o Max Gutman .06510 Audrey F. Houston 1.56250 Audrey F. Houston, Admx. of H. L. Houston Estate 1.56250 Mary Jane Hyman .03255 Mary Jane Hyman, Trustee u/w/o Jack F. Hyman .03255 Nathan Kalvin/B. I. King .04883 Midwest Oil Corp. 1.17188 Edith Fabynd Read, Alexander Duncan Read, and Howard E. Cox, Trustees u/w/o William A. Read .39062							
				Archbishopric of New York 2.29688 Edith G. Socolow and A. Walter Socolow .06510 Texaro Oil Company .01628 William B. Watson, Agent and Attorney-in-Fact .43750							
				Amoco Production Co. 1.17188 Atlantic Richfield Company 3.51563							
				Archbishopric of New York 2.29687							
				Bradley Resources Corp. .39063 Jenson Western Title & Royalty Corp., c/o Bank of America, Acct. 0395307791 .39063 Royal H. Brin, Jr. .03255							
				Jessie Blevins Crump and RepublicBank First Nat'l Midland, Co-Trustees, Trust No. 1069 .39063							
				Jessie B. Crump, David C. Blevins and Fort Worth Nat'l Bank, Trustees u/w/o Jones Lester Crump .39062							
				Jacqueline Brin Goldberg.03255 Fay Combel Gottesman .06510 Daniel L. Gutman, Trustee u/w/o							



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
85. Mollie Campbell (was Tract 56)	T21S-R36E, N.M.P.M. Sec. 7: Lots 3,4, E&SW¼	150.01	HBP	<p>Max Gutman .06510</p> <p>Mrs. A. F. Houston, Indiv. and as Com. Admx. of Estate of H. L. Houston 3.12500</p> <p>Mary Jane Hyman .03255</p> <p>Mary Jane Hyman, Trustee u/w/o Jack F. Hyman .03255</p> <p>Burford I. King, Trustee No. 1 .04883</p> <p>Edith G. Socolow and A. Walter Socolow .06510</p> <p>Texaro Oil Company .01627</p> <p>William B. Watson, Agent and Attorney-in-Fact .43751</p> <p>Home Stake Royalty Corporation .02062</p> <p>Robert A. Venable, Testa- mentary Executor of Estate R. H. Venable .19530</p> <p>Atlantic Richfield Co. 4.23180</p> <p>Home Stake Oil &amp; Gas Co. .02062</p> <p>Texaro Oil Company .08600</p> <p>Ashland Exploration, Inc. .78130</p> <p>Emma Liston Archer, Trustee of Est. of O. L. Coleman .37110</p> <p>Royal H. Brin, Jr. .03260</p> <p>Mollie A. Campbell .44640</p> <p>Jacqueline Brin Goldberg .03260</p> <p>Clem Ronald Hooper .22320</p> <p>Aubrey F. Houston .89290</p> <p>Myrtle Pevehouse .11160</p> <p>Mary Vern Ransom .39060</p> <p>Wm. A. Read, Est. .39060</p> <p>Lois Cone Tekell .11160</p> <p>The Wiser Oil Company .39060</p> <p>Eunice Cone Gibson .44640</p> <p>Rachel Louise Warner .11720</p> <p>Mary Jane Hyman .03250</p> <p>Mary Jane Hyman, Trustee under the will of Jack F. Hyman, deceased .03260</p> <p>Catherine Bowe Est. .00650</p> <p>Vivian Bowe .00650</p> <p>Fluor Oil and Gas Corporation .78130</p>	None	Gulf Oil Corporation 100%	.185457

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE		OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
86. A. F. Houston (was Tract 57)	T21S-R36E, N.M.P.M. <u>Sec. 7: SE<del>1</del>/<del>4</del></u>	160.00	HBP	Daniel L. Gutman, Trustee under the will of Max Gutman Burford I. King, Trustee		Atlantic Richfield Company	Gulf Oil Corporation 100%	.649685
				.06510				
				.25810				
				.06510				
				.22320				
				.44640				
				.06510				
				.01950				
				.02170				
				.06510				
				.00072				
				.83710				
				.27900				
				.00072				
				.00072				
				.03260				
				.00650				
				.00650				
				.78130				
				.06510				
				.01950				
				.02170				
				.06510				
				.00072				
				.83710				
				.27900				
				.00072				
				.00072				
				.03260				
				.00650				
				.00650				
				.78130				

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
87. E. C. Adkins (was Tract 66)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 9: E<math>\frac{1}{2}</math></u>	320.00	HBP	under will of Max Gutman			
				.06510			
				Burford I. Kine, Trustee			
				.25810			
				Fay Combel Gottesman			
				.06510			
				Gerald Hamil Hooper and			
				Dolores Alberta Hooper			
				.22320			
				Delma Inez Campbell			
				.44640			
				Royal H. Brin, Jr.			
				.03260			
				Mollie A. Campbell			
				.44640			
				Jacqueline Brin Goldberg			
				.03260			
				Clem Ronald Hooper			
				.22320			
				Aubrey F. Houston			
				.89290			
				Myrtle Pevehouse			
				.11160			
				Mary Vern Ransom			
				.39060			
				Wm. A. Read Est.			
				.39060			
				Lois Cone Tekell			
				.11160			
				The Wiser Oil Company			
				.39060			
				Eunice Cone Gibson			
				.44640			
				Rachel Louise Warner			
				.11720			
				Robert A. Venable, Testamentary			
				Executor of the Estate of			
				R.H. Venable			
				.19530			
				Home Stake Royalty Corporation			
				.02062			
				Atlantic Richfield Company			
				3.18030			
				Home Stake Oil and Gas Co.			
				.02062			
				Texaro Oil Company			
				.08600			
				Ashland Exploration Inc..			
				.78130			
				Emma Liston Archer, Trustee			
				of the Estate of O. L. Coleman			
				.37110			
				Atlantic Richfield Co. 2.343750			
				Archbishopric of New York			
				3.937500			
				Emma L. Archer, Trustee			
				.175780			
				Liston Archer			
				.019530			
				Julia Bergman			
				.026043			
				David A. Bower Indiv. and as			
				Agent			
				.043370			
				J. R. Bower, Jr.			
				.127250			
				Joan A. Carbone			
				.007323			
				Valmore M. Carlgan Est			
				.039060			
				Colonial Royalties Co.			
				.045582			
				Atlantic Richfield Co.		100%	3.457004

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				Carl Costello			
				Iris G. Danson			
				Marcia Lynn Del Core			
				Emily C. Greenhalgh and			
				Dolores Sloat, Indiv. and as			
				Exrxs U/W of Henry G.			
				Ludwig			
				Sarah B. Ferguson			
				Fluor Oil and Gas			
				Corporation			
				Home Stake Oil & Gas Co.			
				Home Stake Royalty			
				Corporation			
				Everett R. Jones, Jr.			
				Grace M. Larson			
				Lawson Petroleum Company			
				Munro L. Lyeth and Patricia			
				D. Lyeth			
				Brian Maney			
				Kevin Maney			
				Marguerite C. Maney			
				Maureen Maney			
				Patricia A. Maney			
				Vivian G. Maney			
				Pauline K. Neppel Ind. and as			
				Exrx. of Est. of Arthur J.			
				Neppel			
				Gloria McFarland and Charles W.			
				Grimes, II Trustees of C. W.			
				Grimes Trust			
				Mary Vern Ransom			
				Ones Norman Rooney			
				Francis K. Royall			
				John R. Royall, Trustee of the			
				John R. Royall Trust u/w/o			
				N. R. Royall, Jr.			
				John R. Royall, Trustee of the			
				Tucker K. Royall Trust u/w/o			
				N. R. Royall, Jr.			
				John R. Royall, Trustee of the			
				N. R. Royall III Trust, u/w/o			
				N. R. Royall, Jr.			
				John R. Royall, Trustee of the			
				Tucker K. Royall Trust, u/w/o			
				Fannie May Royall			
				Frieda W. Schachner			
				Donald Tait			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
88. A. J. Adkins (was Tract 67)	T21S-R36E, N.M.P.M. <u>Sec. 10: W<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math>, SE<math>\frac{1}{4}</math>NW<math>\frac{1}{4}</math>, SW<math>\frac{1}{4}</math></u>	280.00	HBP	James T. Tait W. B. Watson, Agent and Attorney-in-Fact .009765 .75000	None	Exxon Corporation 100%	.931331
89. A. J. Adkins (was Tract 68)	T21S-R36E, N.M.P.M. <u>Sec. 10: NE<math>\frac{1}{2}</math>NW<math>\frac{1}{4}</math></u>	40.00	HBP	Archbishopric of New York 4,59380 Millikin University, Decatur, Illinois, Ina Mills Trust .25000 Colonial Royalties Co. .02777 Fluor Oil and Gas Corporation 1.56250 Sue Saunders Graham .06950 Home Stake Oil & Gas Co. .02777 Home Stake Royalty Corporation .02777 Munro L. Lyeth and Patricia D. Lyeth .78130 Elyse S. Patterson .06940 Atlantic Richfield Co. 2.34380 Petrust Corporation of America .41670 Onez Norman Rooney .78120 Frieda W. Schachner .08330 June D. Speight .52080 Sally Saunders Toles .06940 W. B. Watson, Agent and Attorney-in-Fact .87500 Atlantic Richfield Co. 1.17188 Exxon Company, USA 5.46875 Home Stake Oil and Gas Co. .01389 Home Stake Royalty Corporation .01389 Colonial Royalties Co. .01389 Fluor Oil & Gas Corp. .78125 Petrust Corporation of America .20833 Sue Saunders Graham .03472 Munro L. Lyeth and Patricia D. Lyeth .78125 Millikin University, Decatur, Illinois, Ina Mills Trust .12500 Elyse Saunders Patterson	None	Gulf Oil Corporation 50% Exxon Corporation 50%	.423313

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
90. J. D. Knox (was Tract 69)	T21S-R36E, N.M.P.M. Sec. 10: E <del>x</del>	320.00	HBP	<p>Archbishopric of New York .03472</p> <p>2.29687</p> <p>Onez Norman Rooney .78125</p> <p>Frieda W. Schachner .04167</p> <p>June D. Speight .26041</p> <p>The Toles Co. .03473</p> <p>William B. Watson, Agent and Attorney-in-Fact .43750</p> <p>Amoco Production Co. .390700</p> <p>Atlantic Richfield Co. 6.250000</p> <p>Aarco Oil &amp; Gas .585900</p> <p>Dan E. Boone .019945</p> <p>Dorothy W. Boone .035227</p> <p>J. E. B. Boone .148676</p> <p>A. L. Cone .195300</p> <p>Dorothy P. Carr .012432</p> <p>Everett R. Carr .006216</p> <p>H. E. Clift #1381 .195300</p> <p>J. C. Clift #1608 .195300</p> <p>Frances S. Madeley .139093</p> <p>Herbert W. Madeley .001037</p> <p>Mobil Producing Texas and New Mexico Inc. 1.562600</p> <p>Petrust Corporation of America .312500</p> <p>L. D. Phillips .006216</p> <p>R. S. Phillips .006216</p> <p>Protestant Episcopal Sabine Corporation .390600</p> <p>June D. Speight .976500</p> <p>June D. Speight-1 .976600</p> <p>WEF Holding, Inc. .078100</p>	None	Exxon Corporation 100%	1.604876
91. McQuatters (was Tract 74)	T21S-R36E, N.M.P.M. Sec. 11: S <del>3</del> N <del>2</del> E <del>2</del> , NW <del>4</del> SE <del>4</del>	120.00	HBP	<p>Alan J. Antwell .7812500</p> <p>E. Doyle Berryman .7812500</p> <p>Bradley Resources Corporation 1.1718750</p> <p>Fluor Oil and Gas Corporation 3.1250000</p> <p>Jack Hart .0029838</p> <p>Jack Hart .0041728</p> <p>Manufacturer's Hanover Trust Co., Exec. of Est. of Constance A. Fleischman .7812500</p> <p>Nancy E. Penson 2.2922410</p> <p>Penn Brothers, Inc. .7639083</p> <p>J. E. Sedlmayr .7812500</p>	Amoco Production Co. 12.5%	<p>Wiser Oil Co. 50%</p> <p>Two States Oil Company 25%</p> <p>Herman R. Crile 12.5%</p> <p>**Gulf (EMSU Group) 12.5%</p>	.209848

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
92. M. S. Berryman (was Tract 77)	T21S-R36E, N.M.P.M. Sec. 11: SW $\frac{1}{4}$ SE $\frac{1}{4}$	40.00	HBP	Southland Royalty Company 1.9531250 Jack Stieren Estate .0325296 Tortuga Oil & Gas Co. .0280428 Nora Walker .0011217 Alan J. Antweil .7812500 Dora J. Aronson .0002850 E. Doyle Berryman .7812500 Bradley Resources Corporation 1.1718800 Carl Carr .0001400 Vernon Carr .0000500 Jack Hart .0022400 Manufacturers Hanover Trust Co. Exec. of Est. of Constance A. Fleischman .7812500 Fluor Oil and Gas Corporation 3.1250000 Penn Brothers, Inc. .7639100 Nancy E. Penson 2.2922400 Jack Hart .0039900 John E. Sedlmayr .7812500 Harry Smith Est. .0001800 Southland Royalty Company 1.9531200 Jack Stieren Estate .0325300 Tortuga Oil & Gas Co. .0280400 Nora Walker .0011100 Dora J. Aronson, Irwin Grossman and William J. Colen, Trustees U/W of S. M. Aronson .0002850	None	Company Atlantic Richfield 100%	.050973
93. Marshall (was Tract 78)	T21S-R36E, N.M.P.M. Sec. 11: NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 12: NW $\frac{1}{4}$ SW $\frac{1}{4}$	80.00	HBP	See "A" and "B" below	None	Sun Exploration and Production Company 100%	.055857*
A.	Sec. 11: NE $\frac{1}{4}$ SE $\frac{1}{4}$			Selma E. Andrews Trust #5188 1.678280 Alan J. Antweil .781250 E. Doyle Berryman .781250 Boys Club of America .156250 Elks National Foundation Boston .156250 Juliette Rathbone Finch .781250 The Home Stake Oil & Gas Company .195310 The Home Stake Royalty Corp. .195310 Marguerite McKim Kent .781250			(.055857)

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY		OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				OWNER AND PERCENTAGE				
B.	Sec. 12: NW $\frac{1}{4}$ SW $\frac{1}{4}$	(40.00)		Patrick J. Leonard	.260410			(.0000000)
				Robert J. Leonard	.260420			
				Timothy T. Leonard	.260420			
				Manufacturers Hanover Trust Co.				
				as agent for William H.				
				Fleischmann, Jr., Constance Von				
				Gontard, and Fredericka Agins	.781250			
				Raymond Lee McKim	.781250			
				Juanita McMillan, Betty Kelly,				
				David Loeffler, Co-Trustees for				
				H. M. McMillan	.195310			
				J. S. Mullen, Jr.	.195310			
				New Mexico Boys Ranch, Inc.	.156250			
				Braille Institute of America, Inc.	1.446730			
				Lillian Ramsagate Sedlmayr, Exrx.				
				of Estate of Theodore Sedlmayr	.781250			
				Shattuck School	.156250			
				Charles Tyson Smith, II	.781250			
				Regents of University of New	.156250			
				Mexico	.781250			
				June D. Speight				
				Selma E. Andrews	1.678280			
				Trust #5188	.781250			
				Alan J. Antweil	.781250			
				E. Doyle Berryman	.156250			
				Boys Club of America				
				Elks National Foundation	.156250			
				Boston	.781250			
				Juliette Rathbone Finch	.195310			
				The Home Stake Oil & Gas Company				
				The Home Stake Royalty Corp.	.195310			
				Marguerite McKim Kent	.781250			
				Patrick J. Leonard	.260410			
				Robert J. Leonard	.260420			
				Timothy T. Leonard	.260420			
				Manufacturers Hanover Trust Co.				
				as agent for William H.				
				Fleischmann, Jr., Constance Von				
				Gontard, and Fredericka Agins	.781250			
				Raymond Lee McKim	.781250			
				Juanita McMillan, Betty Kelly,				



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
94. Marshall (was Tract 79)	T21S-R36E, N.M.P.M. <del>Sec. 11: SE<math>\frac{1}{4}</math>SE<math>\frac{1}{4}</math></del> Sec. 12: SW $\frac{1}{4}$ SW $\frac{1}{4}$	80.00	HBP	David Loeffler, Co-Trustees for H. M. McMillan .195310 J. S. Mullen, Jr. .195310 New Mexico Boys Ranch, Inc. .156250 Braille Institute of America, Inc. 1.446730 Lillian Ramsgate Sedlmayr, Exrx. of Estate of Theodore Sedlmayr .781250 Shattuck School .156250 Wanda Shults .1953125 Wilma Rutland .1953125 Van Shults .1953125 Jack Shults .1953125 Charles Tyson Smith, II .781250 Regents of University of New Mexico .156250	None	**Gulf (Emsu Group) 100%	.153687*
A.	Sec. 11: SE $\frac{1}{4}$ SE $\frac{1}{4}$			Selma E. Andrews Trust #5188 1.678280 Alan J. Antwell .781250 E. Doyle Berryman .781250 Boys Club of America .156250 Elks National Foundation Boston .156250 Juliette Rathbone Finch .781250 William H. Fleischmann, Jr. .260410 The Home Stake Oil & Gas Company .195310 The Home Stake Royalty Corp. .195310 Manufacturers Hanover Trust Co. as agent for William H. Fleischmann, Jr., Constance Von Gontard, and Fredericka Agins .781250 Marguerite McKim Kent .781250 Patrick J. Leonard .260410 Robert J. Leonard .260420 Timothy T. Leonard .260420 Raymond Lee McKim .781250 Juanita McMillan, Betty Kelly,			(.062358)

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
B.	Sec. 12: SW $\frac{1}{4}$ SW $\frac{1}{4}$	(40.00)		David Loeffler, Co-Trustees for H. M. McMillan .195310 J. S. Mullen, Jr. .195310 New Mexico Boys Ranch, Inc. .156250 Braille Institute of America, Inc. 1.446730 Lillian Ramsgate Sedlmayr, Exrx. of Estate of Theodore Sedlmayr .781250 Shattuck School .156250 Charles Tyson Smith, II .781250 Regents of University of New Mexico .156250 June D. Speight .781250			
			Selma E. Andrews Trust #5188 1.678280 Alan J. Antweil .781250 E. Doyle Berryman .781250 Boys Club of America .156250 Eiks National Foundation Boston .156250 Juliette Rathbone Finch .781250 The Home Stake Oil & Gas Company .195310 The Home Stake Royalty Corp. .195310 Marguerite McKim Kent .781250 Patrick J. Leonard .260410 Robert J. Leonard .260420 Manufacturers Hanover Trust Co. as agent for William H. Fleischmann, Jr., Constance Von Contard, and Fredericka Agins .781250 Timothy T. Leonard .260420 Raymond Lee McKim .781250 Juanita McMillan, Betty Kelly, David Loeffler, Co-Trustees for H. M. McMillan .195310 J. S. Mullen, Jr. .195310 New Mexico Boys Ranch, Inc. .156250 Braille Institute of America, Inc. 1.446730 Lillian Ramsgate Sedlmayr, Exrx. of Estate of Theodore Sedlmayr .781250 Shattuck School .156250				
		</					

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
95. Coleman "A" (was Tract 83)	T21S-R36E, N.M.P.M. Sec. 17: NW <sup>2</sup> , NW <sup>4</sup>	40.00	HBP	<p>Wanda Shults .1953125</p> <p>Wilma Rutland .1953125</p> <p>Van Shults .1953125</p> <p>Jack Shults .1953125</p> <p>Charles Tyson Smith, II .781250</p> <p>Regents of University of New Mexico .156250</p>	None	Getty Oil Co. 100%	.375553
				<p>Archbishopric of New York 1.31250</p> <p>Liston Archer .15630</p> <p>Atlantic Richfield Co. .22786</p> <p>Bradley Resources Corp. .09770</p> <p>Powhatan Carter, Jr. .09765</p> <p>Anderson Carter .09765</p> <p>Emma Liston Archer, Trustee Est. of O. L. Coleman 1.83590</p> <p>Charles J. Cooper/Fonda .05205</p> <p>Emely Ann Edwards .00072</p> <p>Daniel L. Gutman .07810</p> <p>Manufacturers Hanover Trust Co. Oil Successor Trustee U/A dated 4-30-56 as amended M/B and for Charles Gutman .11720</p> <p>Alfred E. Gutman .07820</p> <p>Betty Guttag .11720</p> <p>Daniel L. Gutman, Ind. Exec. &amp; Trustee of Est. of Max Gutman .23440</p> <p>Wentz Heritage .78125</p> <p>The Home Stake Oil &amp; Gas Co. .02170</p> <p>The Home Stake Royalty Corp. .01954</p> <p>Mary M. Horne Trust, Mary M. Hodge &amp; Charles R. Gravens, Jr., Co-Trustees 1.17190</p> <p>Jones Robinson Company .39060</p> <p>Robert Booth Kellough .06510</p> <p>Wentz Legacy .78125</p> <p>First City Nat'l Bank Trustee Acct. #5-292-02-8 .19530</p> <p>Mobil Oil Corp. 1.56250</p> <p>Mary Vern Ransom 1.71870</p> <p>William G. Seal .00072</p> <p>Roland V. Siddall .03900</p> <p>Jean Anderson Simpson .00072</p> <p>A. Walter Socolow and</p>			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
96. Coleman (was Tract 84)	T21S-R36E, N.M.P.M. Sec. 17: <del>NE1/4NW1/4</del>	40.00	HBP	Edith Socolow, Trustees U/A dated 11-24-76 .07810 Robert L. Summers .19530 Texaro Oil Co. .07810 Robert Allen Venable, Ind. Exec. & Tr. U/W of R. H. Venable .19530 Philip J. Willis and Jack Willis, Joint Tenants .03910 Thomas B. Wilson .02169 Lasca, Inc. .25000 Nancy Z. G. Herpin .09770 Jack H. Mayfield, Jr. .09770 Jack H. Mayfield, Jr., Margaret Bell, and Lanode Goldston, Attys. in Fact for Iris Goldston .19530			
	Atlantic Richfield Co. Archbishopric of New York Emma L. Archer, Trustee of Est. of O. L. Coleman 1.31250 Liston Archer .15630 Bradley Resources Corporation Anderson Carter .09770 Powhatan Carter, Jr. .09765 Emely Ann Edwards .000725 Mary A. Fonda .05210 Alfred F. Gutman .07820 Daniel L. Gutman .07810 Daniel L. Gutman, Indep. Exec. of Est. of Max Gutman .23440 Betty Guttag .117200 Manufacturers Hanover Trust Co. Oil Successor Trustee U/A dated 4-30-56 as amended M/B and for Charles Gutman .117200 Nancy Z. G. Herpin .097700 Mary M. Hodge & Charles R. Cravens, Jr., Co-Trustees of Mary M. Horne Trust, .586000 Mary M. Hodge & Charles R. Cravens, Jr., Co-Trustees of Mary M. Horne Trust, .585900 Home Stake Royalty Corporation .010852						
					None	Atlantic Richfield Company 100%	.363610

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDE ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
97. Coleman (was Tract 85)	T21S-R36E, N.M.P.M. Sec. 17: NE $\frac{1}{4}$	160.00	HBP	Home Stake Royalty Corp..009768 Home Stake Oil & Gas Co..010852 Home Stake Oil & Gas Co..009767 Jones Robinson Company .390600 Robert Booth Kellough .065100 Lasca, Inc. .250000 Jack H. Mayfield, Jr. .097600 Jack H. Mayfield, Jr., Margaret Beil and Lenode Goldston, Attys. in Fact for Iris Goldston .195300 First City Nat'l Bank, Trustee Trust Acct. 0292-02-8 .19530 Mobil Producing Texas and New Mexico Inc. 1.562500 Mary Vern Ransom 1.718700 R. V. Siddall .039000 Jean Anderson Simpson .000723 Edith Socolow and A. Walter Socolow, Trustees U/A dated 11-24-76 .078100 R. L. Summers .195300 Texaro Oil Company .078100 R. A. Venable, Indep. Exec. of Est. of R. H. Venable .195300 Wentz Heritage .781250 Wentz Legacy .781250 Jack Willis .019550 Philip J. Willis .019550 Thomas B. Wilson .021691 William G. Seal .000722	None	Getty Oil Company 100%	1.415360
				Adobe Royalty, Inc. .13021 Amoco Production Co. .52083 Emma Liston Archer, Trustee of Est. of O. L. Coleman .91150 Liston Archer .03906 Atlantic Richfield Co. .38410 Jane C. Blackford .049805 J. R. Bower, Jr. .50898 David Armstrong Bower, Agent .17344 Bradley Resources Corp..09765 Charles J. Cooper/Fonda.05208 Emely Ann Edwards .00072 Farmer Union Company .29297 Home Stake Oil and Gas Co. .02062 Home Stake Royalty Corp.			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				02062 InterFirst Bank, Corsicana N.A., J. L. Collins, Dec'd #638.00 .29297 InterFirst Bank, Corsicana N.A., Trustee for Susan Jane Wheelock, Tr. #247 .096679 Everett R. Jones, Jr. .05781 Robert Booth Keilough .06511 Betty W. Kennaugh, individually, and as co-independent executor and Trustee of the Maude C. Wheelock estate .073243 Grace M. Larson .00195 Wentz Legacy .78125 Munro Lyeth & Patricia D. Lyeth .19532 B. W. Vetter and Charles C. Killin, Trustees of the Hattie Hill McVey Intervivos Trust .29297 First City Nat'l Bank, Trustee Acct #0292-02-8 .19531 Mobil Oil Corp 3.12500 Panhandle Royalty Company .58594 Mary Vern Ransom 1.24999 William C. Ransom .07812 Republic National Bank & Trust Co., A.N. McMillan Est. 89 .23438 Onez Norman Rooney .19531 Frances K. Royall .00391 N. R. Royall, III, Indep. Exec. of Est. of N. R. Royall, Jr., Dec'd .01563 John R. Royall, Trustee U/W of Fannie May Royall, Dec'd .00651 Tucker K. Royall, Trustee of the T. K. Royall Trust U/W of Fannie May Royall, Dec'd .00651 N. R. Royall, III, Trustee U/W of Fannie May Royall, Dec'd .00651 William G. Seal .00072 Roland V. Siddall .03906 Jean Anderson Simpson .00072 W. Blake Smith .29297			



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
98. Coleman (was Tract 86)	T21S-R36E, N.M.P.M. Sec. 17: W <sup>1</sup> SE <sup>2</sup> <sub>4</sub>	80.00	HBP	Smith Oil Company .29296 Robert A. Venable .19531 Robert L. Wheelock, Jr., individually, and as co- independent executor and Trustee of the Maude C. Wheelock Estate .07324 Wentz Heritage .78125 Philip Willis and Jack Willis .03906 Thomas B. Wilson .02170		Shell Western Exploration & Production Inc. 100%	.572268
				Adobe Royalty Co. .13021 Amoco Production Co. .52083 Archbishopric of New York 1.31250 Emma Liston Archer, Trustee of Est. of O. L. Coleman 1.65365 Liston Archer .07813 Atlantic Richfield Co. .22786 J. R. Bower, Jr. .50898 Bradley Resources Corporation .09766 First Denver Trt-Min, Munro & Patricia Lyeth .39063 M. A. Fonda .05209 Alfred E. Gutman .23437 D. L. Gutman, Trustee .23437 B. G. Guttag .11719 Manufacturers Hanover Trust Co. Oil Successor Trustee U/A dated 4-30-56 as amended M/B and for Charles Gutman .11719 D. A. Bower, Agent .17343 Home Stake Oil & Gas Co. .01085 Home Stake Royalty Corporation .01085 E. R. Jones, Jr. .05782 Robert B. Kellough .06510 Grace M. Larson .00195 Lasca, Inc. .25000 M. S. Lattra .39063 MNB Trust #0292028 .19531 Mobil Producing Texas and New Mexico Inc. 1.56250 Mary Vern Ransom 1.71875 Frances K. Royall .01171			



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
99. H. C. Collins (was Tract 98)	T21S-R36E, N.M.P.M. Sec. 14: E3W2 SW1/4NE1/4, W1/4SE1/4	280.00	HBP	John R. Royall, Trustee of the John R. Royall Trust u/w/o N. R. Royall, Jr. .00261	None	Gulf Oil Corporation 57.14% Atlantic Richfield Company 28.57% Getty Oil Co. 14.29%	.607838
				N. R. Royall, Trustee of the N. R. Royall III Trust, u/w/o N. R. Royall, Jr. .00261			
				John R. Royall, Trustee of the Tucker K. Royall Trust, u/w/o N. R. Royall, Jr. .00261			
				John R. Royall, Trustee of the John R. Royall Trust, u/w/o Fannie May Royall .00651			
				John R. Royall, Trustee of the N. R. Royall III Trust, u/w/o Fannie May Royall .00651			
				John R. Royall, Trustee of the Tucker K. Royall Trust, u/w/o Fannie May Royall .00651			
				Onez Norman Rooney .39062			
				Roland V. Siddall .03906			
				Texaro Oil Co. .07812			
				Robert A. Venable .19531			
				Wentz Heritage .78125			
				Wentz Legacy .03906			
				Phillip and Jack Willis .00977			
				Home Stake Oil & Gas Co. .00977			
				Home Stake Royalty Corp. .00072			
				William G. Seal .00072			
				Emely Ann Edwards .00073			
				Jean Anderson Simpson .00072			
				Thomas B. Wilson .02170			
				Paul M. Phillips .01100			
				ETZ Oil Properties Ltd. .39060			
				Pierre D. Phillips .01100			
				Raymond W. Randolph .06510			
				Jane D. Randolph .06510			
				Phillip R. Snow .06510			
				Bill R. Snow .06510			
				Mary Elizabeth Roelke .13020			
				Wilma M. Phillips and Curtis Darling, Co-Personal Representatives of the Estate of Ross M. Phillips .01100			
				Toles Company .06510			
				Donald M. Phillips .01090			
				Christopher Dukinfield Jones .01042			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				Peter Francis Jones .01042			
				Rachel B. Fardon .01562			
				Irene Fardon Gialster .01562			
				Renate Jones Dymesich,			
				Guardian for Wendelin			
				Elizabeth Jones .01042			
				Boyd E. Penfield .15625			
				Robert S. Light .78125			
				Ethel Rushing Est. .78125			
				Liston Archer .01950			
				John W. Phillips .01100			
				Anderson Carter .09765			
				June D. Speight .39060			
				Jessie B. Crump, David C.			
				Belvins and The Fort Worth			
				National Bank, Trustee of			
				Joe and Jessie Crump Fund			
				Acct. 2312 .19530			
				The First National Bank of			
				Midland and Jessie Blevins			
				Crump, Co-Trustees No. 1069			
				.19530			
				Helen Learmont Bedford			
				.12500			
				Phyllis C. Smythe .06250			
				George H. Etz, Jr., Trustee			
				.39060			
				Grace Johnson .15625			
				Elien Ann W. Williams .12500			
				Onez Norman Rooney 2.81250			
				Eva Payne Glass Est. .02750			
				Felmont Oil Corporation.42120			
				Elyse Saunders Patterson			
				.06510			
				Sue Saunders Graham .06510			
				Munro L. Lyeth and Patricia D.			
				Lyeth 2.81250			
				The Pennsylvania Bank and			
				Trust Co., Trustee of the			
				Estate of Albert Walter Coal			
				.05500			
				Mrs. Ernest Frances			
				Bradfield .01375			
				Powhatan Carter, Jr. .09765			
				Superior Oil Company .96880			
				Julian W. Glass, Jr. .01375			
				Wanda Pruett Hess .15620			
				Emma Liston Archer, Trustee			
				of the Estate of O. L.			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
100. Frona Leck (was Tract 99)	T21S-R36E, N.M.P.M. Sec. 14: NW <del>2</del> NE <del>2</del> %	40.00	HBP	Coleman .07810 Charles F. Bedford .12500 Henry De Graffenreid Bedford .12500 Rachel Bedford Bowen .12500 Mary Vern Ransom .09770 Superior Oil Company .96880 Julian W. Glass, Jr. .01375 Wanda Pruett Hess .15620 Emma Liston Archer, Trustee of the Estate of O. L. Coleman .07810 Charles F. Bedford .12500 Henry De Graffenreid Bedford .12500 Rachel Bedford Bowen .12500 Mary Vern Ransom .09770 Eilen Ann W. Williams .12500 Onez Norman Rooney 2.81250 Eva Payne Glass Est. .02750 Felmont Oil Corporation .42120 Elyse Saunders Patterson .06510 Sue Saunders Graham .06510 Munro L. Lyeth and Patricia D. Lyeth 2.81250 The Pennsylvania Bank and Trust Co., Trustee of the Estate of Albert Walter Coal .05500 Jacques Peter Adoue, Thomas J. Reilly, W. W. Bland and Texas Commerce Bank, N.A., Trustees u/w of F. D. Jones .06250 Mrs. Ernest Frances Bradfield .01375 Powhatan Carter, Jr. .09765 Anderson Carter .09765 June D. Speight .39060 Jessie B. Crump, David C. Blevins and the Fort Worth National Bank, Trustees of the Joe and Jessie Crump Fund Acct. #2312 .19530 RepublicBank First Nat'l	None	Gulf Oil Corporation 57.14% Atlantic Richfield Company 28.57% Getty Oil Co. 14.29%	.093085

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE		OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
101. McQuatters (was Tract 115)	T21S-R36E, N.M.P.M. Sec. 11: N <del>2</del> NE <del>2</del> %	80.00	HBP	Midland and Jessie Blevins Crump, Co-Trustees Trust No. 1069 .19530 Helen Learmont Bedford .12500 Phyllis C. Smythe .06250 George H. Etz, Jr., Trustee .39060 Grace Johnson Donald M. Phillips .01100 Boyed E. Penfield .15625 Robert S. Light .78125 Ethel Rushing .78125 Liston Archer .01950 John W. Phillips .01100 Paul M. Phillips .01100 ETZ Oil Properties, Ltd. .39060 Pierre D. Phillips .01100 Raymond W. Randolph .06510 Jane D. Randolph .06510 Philip R. Snow .06510 Bill R. Snow .06510 Mary Elizabeth Roelke .13020 Wilma M. Phillips and Curtis Darling, Co-Personal Representatives of the Estate of Ross M. Phillips .01090 Toles Company .06510		None	Amoco Production Company 100%	.228542
				Alan J. Antwell .78125 E. Doyle Berryman .78125 Bradley Resources Corporation 1.17188 Manufacturers Hanover Trust Co. Agent for William H. Fleischmann, Jr., Constance Von Gontard, and Fredricka Agins .78125 Fluor Oil and Gas Corporation 3.12500 First National Bank in Dallas and Vena H. Long Independent Executors of the Estate of Frank O. Long .00224 Nancy Elizabeth Penson 2.29225 Mrs. Exor Megan, Guardian of the Estate of Maude Eagle Plouts .00113				

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE		OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT		
23	PATENTED TRACTS	TOTALING 3,180.28	ACRES	OR	22.41%	OF	UNIT	AREA		
SUMMARY										

Working Interest In Unit

Amerada Hess Corp.	1.314621
Amoco Production Company (USA)	8.384081
Apollo Oil Company	.108986
Atlantic Richfield Company	19.898507
Boss, Kenneth R.	.217972
Catron W.L. Accounts	.570567
John S. & Thomas B. Catron	.018148
Thomas B. Catron III, Trustee	.018148
Chevron, U.S.A., Inc.	6.960750
Cities Service Company	1.005071
Conoco, Inc.	9.416492
Crile, Herman R. Estate	.039975
Exxon Company, U.S.A.	4.908372
Fields, Bert, Jr.	.058681
Getty Oil Company	7.313370
Gulf Oil Corporation	30.865163
Koch Exploration	.329745
Me-Tex Supply Company	.254073
Perdew Estate	.017189
Pfugger, Carl	.058005
S&S Engineering	.109938
Shelby, Jeannie Fields Agency	.058681
Shell Western E&P	6.760402
Sun E&P Company	1.006848
Turner, F. W. Jr. Estate	.087178
Two States Oil Company	.113099
Wiser Oil Company	.105938
	100.000000%

* Interest in the Catron W.I. Account		
Geraldine Wallace Gould	9.75100	
Maxine H. Wallace	3.90000	
Jane Neville Frey	6.30000	
John N. Eddy	11.17600	
Marjorie E. Hobbis	12.00000	
Thomas B. Catron III, Trustee		
U/A Thomas B. Catron IV	5.0000	
Thomas B. Catron III, Trustee		
U/W J. B. Catron	18.66700	
Thomas B. Catron III, Trustee		
U/W Sue C. Bergere Trust	11.00000	
Thomas B. Catron III	8.27000	
John S. Catron	7.27000	
Jane Ellen Moore	.83325	
Edith C. Wheeler	.83325	
Diane M. Landen	.88325	
Michale H. Moore	.83325	
Ann D. Allison	.83325	
Brent W. McWhorter	.83325	
Mary J. McWhorter	.83325	
James I. Coppedge	.41663	
Davis A. Coppedge	.41662	
	<u>100.00000%</u>	

** Interest in Gulf (EMSU Group) W.I. Accounts		
Gulf Oil Corporation	33.8114	
Chevron, U.S.A., Inc.	7.6252	
Atlantic Richfield Company	21.7979	
Amerada Hess Corporation	1.4402	
Amoco Production Company	9.1844	
Cities Service Company	1.1011	
Conoco, Inc.	10.3153	
Exxon Company, USA	5.3770	
Bert Fields, Jr.	.0643	
Koch Exploration	.3612	
RepublicBank Dallas/Shelby	.0643	
S&SEngineering	.1090	
Shell Oil Company	7.4058	
Sun Exploration and Production Co.	1.1030	
Two States Oil Company	.1238	
The Wiser Oil Company	.1161	
	<u>100.0000%</u>	

UNIT OPERATING AGREEMENT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

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UNIT OPERATING AGREEMENT  
AND EXHIBITS

EUNICE MONUMENT SOUTH  
STATUTORY SECONDARY RECOVERY  
FEDERAL - STATE UNIT  
LEA COUNTY, NEW MEXICO

EFFECTIVE DATE  
FEBRUARY 1, 1985

UNIT OPERATING AGREEMENT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 22nd day of June, 1984, by the parties who have signed the original of this instrument, a counterpart thereof or other instrument agreeing to be bound by the provisions hereof;

W I T N E S S E T H:

WHEREAS, the parties hereto, as Working Interest Owners have executed that certain agreement entitled "Unit Agreement, Eunice Monument South Unit, Lea County, New Mexico" hereinafter referred to as "Unit Agreement", and which, among other things, provides for a separate agreement to be made and entered into by and between Working Interest Owners to provide for Unit Operations therein defined:

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, it is agreed as follows:

ARTICLE 1

CONFIRMATION OF UNIT AGREEMENT

1.1 Confirmation of Unit Agreement. The Unit Agreement is 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 Unit Agreement and this Agreement, the Unit Agreement shall prevail.

ARTICLE 2

EXHIBITS

2.1 Exhibits. The following exhibits are incorporated herein by reference or attachment:

2.1.1 Exhibits "A" and "B" of the Unit Agreement.

2.1.2 Exhibit "C", attached hereto, is a summary showing each Working Interest Owner's Working Interest in each Tract, the percentage

of total Unit Participation attributable to each such interest, and the total Unit Participation of each Working Interest Owner.

2.1.3 Exhibit "D", attached hereto, contains insurance provisions applicable to Unit Operations.

2.1.4 Exhibit "E", attached hereto, is the Accounting Procedure applicable to Unit Operations. In the event of conflict between this agreement and Exhibit "E", this agreement shall prevail.

2.1.5 Exhibit "F", attached hereto, contains Certificate of Compliance provisions provided for in Article 21.

2.1.6 Exhibit "G", attached hereto, is the Gas Balancing Agreement applicable to Unit Operations.

2.2 Revision of Exhibits. Whenever Exhibit A or B are revised, Exhibit C shall be revised accordingly and be effective as of the same date. Unit Operator shall also revise Exhibit C 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.

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

### ARTICLE 3

#### SUPERVISION OF OPERATIONS BY WORKING INTEREST OWNERS

3.1 Overall Supervision. Subject to the other terms and provisions of this agreement and of the Unit Agreement, Working Interest Owners shall exercise overall supervision and control of all matters pertaining to the Unit Operations pursuant to this Agreement and the Unit Agreement. In the exercise of such power, 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 as an entirety.

3.2 Particular Powers and Duties. The Working Interest Owners, using the voting procedures given in Article 4.3, unless otherwise specifically provided in this Agreement, shall decide matters pertaining to Unit Operations which include, but are not limited to the following:

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

3.2.2 Drilling of Wells. The drilling, deepening, or sidetracking of any well within the Unit Area for the production of Unitized Substances; and the drilling of any well for injection, salt water disposal or for any other Unit purpose.

3.2.3 Well Workovers and Change of Status. The reworking, recompleting or repairing of any well for the purpose of production of Unitized Substances reasonably estimated to require an expenditure in excess of the expenditure limitation specified in Section 3.2.4 hereinbelow; and the abandonment or change of status of any well in the Unit, or the use of any such well for injection or other purposes.

3.2.4 Expenditures. Making of any single expenditure in excess of thirty-five thousand dollars (\$35,000.00), except as provided in Section 7.9 hereof; provided that approval by Working Interest Owners for the drilling,

sidetracking, reworking, drilling deeper or plugging back of any well shall 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 Amendment of Overhead Rates. The amendment of the overhead rates provided for in Section III of Exhibit "E" if, as set forth in Section III.3 of Exhibit "E", such rates are found to be insufficient or excessive.

3.2.6 Disposition of Surplus Facilities. Selling or otherwise disposing of any major item of surplus unit material or equipment, the current list price of new equipment similar thereto being fifteen thousand dollars (\$15,000.00) or more.

3.2.7 Appearance Before a Court or Regulatory Body. The designating of a representative to appear before any court or regulatory body in matters pertaining to unit operations; provided, however, that the authorization by Working Interest Owners of the designation of any such representatives shall not prevent any Working Interest Owner from appearing in person or from designating another representative in its own behalf.

3.2.8 Audit Exceptions. Any unresolved audit exceptions relating to audits as provided for in Exhibit "E".

3.2.9 Assignments to Committees. The appointment or designation of committees or subcommittees necessary for the study of any problem in connection with Unit Operations.

3.2.10 The selection of a successor to the Unit Operator.

3.2.11 The enlargement of the Unit Area.

3.2.12 The adjustment and readjustment of investments.

3.2.13 Acquisition of Wells for Unit Operations.

3.2.14 The termination of the Unit Agreement.

#### ARTICLE 4

##### MANNER OF EXERCISING SUPERVISION

4.1 Designation of Representatives. Each Working Interest Owner shall advise Unit Operator in writing the names and addresses of its representative and alternate who are authorized to represent and bind it in respect to any matter pertaining to the development and operation of the Unit Area. Such representative or alternate may be changed from time to time by written notice to Unit Operator.

4.2 Meetings. All meetings of Working Interest Owners for the purpose of considering and acting upon any matter pertaining to the development and operation of the Unit Area shall be called by Unit Operator upon its own motion or at the request of two or more Working Interest Owners having a total Unit Participation of not less than ten (10%) percent. No meeting shall be called on less than fourteen (14) days' advance written notice, with agenda for the meeting attached. The Working Interest Owners attending such meeting shall not be prevented from amending items included in the agenda or from deciding such amended item or from deciding other items presented at such meeting. The representative of Unit Operator shall be Chairman of each meeting.

4.3 Voting Procedure. Working Interest Owners shall act upon and determine 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 in effect at the time of the vote.

4.3.2 Vote Required. Unless otherwise provided herein or in the Unit Agreement, Working Interest Owners shall determine all matters by the affirmative vote of four or more Working Interest Owners having a combined voting interest of at least sixty-five percent (65%); however, should any one Working Interest Owner have more than thirty percent (30%) voting interest, its negative vote or failure to vote shall not defeat a motion and such motion shall pass if approved by Working Interest Owners having a majority voting interest, unless two or more additional Working Interest Owners having a combined voting interest of at least five percent (5%) likewise vote against the motion or fail to vote.

4.3.3 Vote at Meeting by Non-Attending Working Interest Owners. Any Working Interest Owner not represented at a meeting may vote on any item included in the agenda of the meeting by letter or telegram addressed to the Chairman of the meeting, provided such vote is received prior to the submission of such item to vote. Such vote shall not be counted with respect to any item on the agenda which is amended at the meeting.

4.3.4 Poll Votes. Working Interest Owners may decide any matter by vote taken by letter or telegram, provided the matter is first submitted in writing to each Working Interest Owner and no meeting on the matter is called, as provided in Paragraph 4.2, within fourteen (14) days after such proposal is dispatched to Working Interest

Owners. Such vote will be final and Unit Operator will give prompt notice of the results of such voting to all Working Interest Owners.

## ARTICLE 5

### INDIVIDUAL RIGHTS AND PRIVILEGES OF WORKING INTEREST OWNERS

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

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

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

5.2.2 Reports by Request. 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 data pertaining to Unit Operations. The cost of gathering and furnishing data not ordinarily furnished by Unit Operator to all Working Interest Owners shall be charged solely to Working Interest Owners requesting the same.

5.2.3 Audits. The right to audit the accounts of Unit Operator according to the provisions of Exhibit "E".

## ARTICLE 6

### UNIT OPERATOR

6.1 Unit Operator. Gulf Oil Corporation is hereby designated as the initial Unit Operator.

6.2 Resignation or Removal. Unit Operator may resign at any time. Unit Operator may be removed at any time by the

affirmative vote of Working Interest Owners having eighty percent (80 %) or more of the voting interest remaining after excluding the voting interest of Unit Operator. Such resignation or removal shall not become effective for a period of six (6) months after the resignation or removal, unless a successor Unit Operator has taken over Unit Operations prior to the expiration of such period.

6.3 Selection of Successor. Upon the resignation or removal of Unit Operator, a successor Unit Operator shall be selected by Working Interest Owners as provided in Section 8 of the Unit Agreement.

6.4 Records and Information. The Unit Operator resigning or being removed shall give complete cooperation to the new Unit Operator and shall deliver to its successor all records and information necessary to the discharge of the new Unit Operator's duties and obligations.

## ARTICLE 7

### POWERS AND DUTIES OF UNIT OPERATOR

7.1 Exclusive Rights to Operate Unit. Subject to the other provisions of this Agreement, and to the orders, directions and limitations rightfully given or imposed by 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 all operations hereunder in a good and workmanlike manner and, in the absence of specific instructions from Working Interest Owners, shall have the right and duty to conduct such operations in the same manner as would a prudent operator under the same or in similar circumstances. Unit Operator shall freely consult with Working Interest Owners and keep them advised of all matters arising in connection with such operations 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 the gross negligence or willful misconduct of Unit Operator.

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

7.4 Employees. The number of employees used by Unit Operator in conducting operations hereunder, the selection of such employees, the hours of labor and the compensation for services to be paid any and all such employees shall be determined by Unit Operator. Such employees shall be employed by Unit Operator.

7.5 Records. Unit Operator shall keep true and correct books, accounts and records of its operations hereunder.

7.6 Reports to Working Interest Owners. Unit Operator shall furnish to each Working Interest Owner periodic reports of the development and operation of the Unit Area.

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 each Working Interest Owner, upon written request, a copy of the log of, and copies of engineering and geological data pertaining to, wells drilled by Unit Operator.

7.9 Expenditures. Unit Operator is authorized to make single expenditures not in excess of thirty-five thousand dollars (\$35,000.00) 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 Owner, 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. Unit Operator may, after approval by Working Interest Owners, enter into border agreements with respect to lands adjacent to the Unit Area for the purpose of coordinating operations.

## 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 property tax renditions, whether on real or personal property and returns with the proper taxing authorities with respect to all property of each Working Interest Owner used or held by Unit Operator for Unit Operations. Unit Operator shall settle assessments arising therefrom. All such property taxes shall be paid by Unit Operator and charged to the joint account; however, 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 (1/8) royalty, such Working Interest Owner shall notify Unit Operator of such interest prior to the rendition date and shall be given credit for the reduction in taxes paid resulting therefrom. Any Working Interest Owner dissatisfied with any assessment of its interest in real or personal property shall have the right, at its own expense, and after due notice to the Unit Operator, to protest and resist any such assessment,

8.2 Taxes and Assessments. Each Working Interest Owner shall pay or cause to be paid all production, severance, gathering, windfall profits tax and other taxes and assessments imposed upon or on account of the production or handling of its share of Unitized Substances.

8.3 Income Tax Election. Notwithstanding any provisions herein that the rights and liabilities hereunder are several and not joint or collective, or that this Agreement and 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 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 the Code and the regulations promulgated thereunder. Unit Operator is 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 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 give further evidence of this election, each such Party shall 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 in which the Unit Area is located or any future income tax law of the United States contain provisions similar to those 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 the Code is permitted, each of the Parties hereto agrees to make such election as may be permitted or required by such laws. In making the foregoing election, each of the Parties states that the income derived by such Party from the operations under this Agreement can be adequately determined without the computation of partnership taxable income.

## ARTICLE 9

### INSURANCE

9.1 Insurance. Unit Operator, with respect to Unit Operations, shall:

- (a) comply with the Workmen's Compensation Laws of the State,

- (b) carry Employer's Liability and other insurance required by the laws of the State, and
- (c) provide other insurance as set forth in Exhibit D.

## ARTICLE 10

### ADJUSTMENT OF INVESTMENTS

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

10.1.1 Wells and Well Equipment. All usable wellbores as defined in Article 11.3, together with the casing, tubing, and downhole equipment up to and including the christmas tree.

10.1.2 Lease and Operating Equipment. All lease and operating equipment, salt water disposal wells and facility systems related to the unitized formation which Working Interest Owners determine to be necessary or desirable for conducting Unit Operations.

10.1.3 Records. A copy of all production and well records pertaining to any well which has historically or is currently producing from the Unitized Formation.

10.2 Inventory and Evaluation of Personal Property. 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 and 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 the inventory with respect to said Tract, so that each of said Working Interest Owners may make arrangements to be represented at the taking of the inventory. Such inventories shall exclude all items not of use and value to the Unit and not necessary to Unit Operations. Such

inventories shall include and be limited to those items of equipment normally considered controllable as recommended in the material classification manual in Bulletin No. 6 dated May, 1971, or any amendments thereto, published by the Petroleum Accountants Society of North America, except that certain items normally considered noncontrollable, such as sucker rods and other items as agreed upon by the Working Interest Owners may be included in the inventories in order to insure a more equitable adjustment of investments. Immediately following completion, such inventories shall be priced in accordance with the provision of Exhibit "E", Accounting Procedure, attached hereto and made a part hereof; such pricing shall be performed under the supervision of, by the personnel of and in the offices of the Unit Operator, with Working Interest Owners furnishing such additional pricing help as may be available and necessary. It is specifically provided that with respect to each well taken over for Unit Operations, no value shall be assigned to intangible drilling costs of such well or to the down-hole casing therein.

10.3 Inventory and Valuations. After completion of the inventory and evaluation of property in accordance with the provisions of Section 10.2, Unit Operator shall submit to each Working Interest Owner a copy of the inventory and valuations thereon together with a letter ballot for approval of such inventory and valuations. Within sixty (60) days after receipt of such inventory and valuations each Working Interest Owner shall return such letter ballot to Unit Operator indicating its approval or disapproval thereof. It is agreed that such inventory and valuations shall be binding upon all parties if approved by Working Interest Owners owning as much as sixty-five percent (65%) of the Working Interest in the Unit Area.

10.4 Investment Adjustment. As soon as practicable after approval by Working Interest Owners of the inventory and valuations as provided in Section 10.3, each Working Interest Owner shall be credited with the value of its interest in all personal property so taken over by Unit Operator under Sections 10.1.1 and 10.1.2, and charged with an amount equal to that obtained by multiplying the total value of all such personal property so taken over by Unit Operator under Sections 10.1.1 and 10.1.2 by such Working Interest Owner's Unit Participation, as shown on Exhibit



"C", attached hereto. 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 paid and in all other respects be treated as any other 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.

10.5 General Facilities. The acquisition of warehouses, warehouse stocks, lease houses, camps, facilities systems, and office building necessary for Unit Operations shall be by negotiation by and between the owners thereof and Unit Operator, subject to the approval of Working Interest Owners.

10.6 Ownership of Personal Property and Facilities. Each Working Interest Owner, individually, shall, by virtue hereof, own an undivided interest in all personal property and facilities taken over or otherwise acquired by Unit Operator pursuant to this agreement equal to its Unit Participation, shown on Exhibit "C", attached hereto.

## ARTICLE 11

### WELLBORES

11.1 Demand Wells. Upon the Effective Date of Unitization, or thereafter as demanded by the Unit Operator pursuant to the Unit plan of operations, Working Interest Owners will provide a useable wellbore, as defined in Article 11.3, on each forty acres which would constitute a proration unit within the Unit Area. If any such forty acres is not provided with a useable wellbore upon demand, the owner or owners contributing the forty acre location shall have the option for ninety (90) days to provide a useable wellbore. If a useable wellbore is not provided within the ninety day period, the owner or owners contributing the forty acre location shall within 10 days of the end of such ninety (90) day period remit the sum of one hundred thousand dollars (\$100,000) to the Unit Operator to be applied toward the cost of drilling, completing, and equipping a well on the deficient forty acre location. All costs of drilling, completing, and equipping the well in excess of the \$100,000 shall be charged to the joint account to be

shared by all owners in proportion to their respective Unit Participation percentage. In the event that an owner or owners fail to provide a required useable wellbore, and fail to pay the assessed \$100,000 for each wellbore deficient location within the required time period, such owner or owners shall be in default of payment, and action shall be initiated in accordance with provisions of Article 12.5 of this Agreement.

11.2 Exception to Demand Well Requirement. Any forty acre proration unit which has not contributed oil production from the Unitized Formation for purposes of the Tract Participation formula of Section 13 of the Unit Agreement will not be subject to the requirements of Article 11.1, above.

11.3 Useable Wellbore Definition. A "Useable Wellbore" shall be defined as a wellbore which is (1) suitable for unit operations which shall include being adequately cased to the satisfaction of the Working Interest Owners, down to the top of, or into the Unitized Formation, or through the Unitized Formation but plugged back to a depth no deeper than the base of the Unitized Formation, and (2) clear and free of obstructions from the surface to either the base of the Unitized Formation or to total depth, whichever is shallower, and (3) squeezed off at all non-unitized intervals.

11.3.1 Wellbores Made Useable. After the Effective Date of Unitization, any wellbore demanded by the Unit which requires remedial work to be made "Useable" may be worked over by the well owners, but such work may be witnessed by a representative of Unit Operator. The Working Interest Owners will not be liable for any cost or expense when work is performed by wellbore owners. Wellbore owners may request that remedial work required to make a wellbore "Useable" be performed by the Unit Operator. Following any such written request, Unit Operator will review wellbore records to determine appropriate procedures and cost estimates. If the Unit Operator determines that the required remedial work is technically feasible and can be performed on

a timely basis, Unit Operator at its sole discretion may agree to perform the required work. The wellbore owners shall bear the sole cost, risk, and expense of such remedial work up to a maximum amount of one hundred thousand dollars (\$100,000). If Unit Operator estimates that such remedial work will cost in excess of \$100,000, an AFE for the amount in excess of \$100,000 will be submitted to Working Interest Owners prior to the start of work and such excess shall be charged to the joint account.

11.3.2 Wellbores Accepted as "Useable Wellbores". Notwithstanding paragraph 11.3, any well actively producing as a single completion from the Unitized Formation for at least six (6) consecutive months prior to the Effective Date of unitization shall be accepted as a "Useable Wellbore." Any well which has not actively produced as a single completion from the Unitized Formation for six (6) consecutive months prior to the Effective Date of unitization shall not be accepted as a "Useable Wellbore" until it can be entered by the Unit Operator and assessed pursuant to Article 11.3. Any well not so assessed within two years following the effective date of unitization shall then be deemed a "Useable Wellbore."

## ARTICLE 12

### DEVELOPMENT AND OPERATING COSTS

12.1 Basis of Charge to Working Interest Owners. Subject to the provisions of Section 12.2 hereof, Unit Operator initially shall pay all Unit Expense. Each Working Interest Owner shall reimburse Unit Operator for its share of Unit Expenses. All charges, credits, and accounting for Unit Expense shall be in accordance with Exhibit "E" attached hereto. Each Working Interest Owner's share of such charges shall be the same as its Unit Participation.

12.2 Advance Billings. Unit Operator shall have the right, at its option, to require other Working Interest Owners to advance their respective proportions of estimated development and operating costs and expenses by submitting to such other Working Interest Owners, on or before the 15th day of any month, an itemized estimate of such costs and expenses for the succeeding month with a request for payment in advance. Within thirty (30) days thereafter, each such other Working Interest Owner shall pay to Unit Operator its proportionate part of such estimate. Adjustment between estimates and the actual costs shall be made by Unit Operator at the close of each calendar month, and the accounts of the Working Interest Owners shall be adjusted accordingly.

12.3 Commingling of Funds. Funds received by Unit Operator under this agreement need not be segregated by Unit Operator or maintained by it as a separate fund, but may be commingled with its own funds.

12.4 Lien and Security Interest of Unit Operator and Working Interest Owners. Each Working Interest Owner grants to Unit Operator a lien upon its Oil and Gas Rights in each Tract, and a security interest in its share of Unitized Substances when extracted and its interest in all Unit Equipment, to secure payment of its share of Unit Expense, together with interest thereon at the Prime rate set by Bank of America for the same period +2% per annum. To the extent that Unit Operator has a security interest under the Uniform Commercial Code of the State, Unit Operator shall be entitled to exercise the rights and remedies of a secured party under the Code. The bringing of a suit and the obtaining of judgment by Unit Operator for the secured indebtedness shall not be deemed an election of remedies or otherwise affect the lien rights or security interest as security for the payment thereof. In addition, upon default by any Working Interest Owner in the payment of its share of Unit Expense, Unit Operator shall have the right, without prejudice to other rights or remedies, 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 has been paid. Each purchaser shall be entitled to rely upon Unit Operator's written statement concerning the amount of any default. Unit Operator

grants a like lien and security interest to the Working Interest Owners.

12.5 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, the non-defaulting Working Interest Owners shall, upon request by Unit Operator, pay the unpaid amount as if it were Unit Expense in the proportion that the Unit Participation of each such Working Interest Owner bears to the Unit Participation of all such Working Interest Owners. Each Working Interest Owner so paying its share of the unpaid amount shall, to obtain reimbursement thereof, be subrogated to the security rights described in Section 12.4 of this agreement.

12.6 Carved-Out Interest. If any Working Interest Owner shall, after executing this agreement, create an overriding royalty, production payment, net proceeds interest, carried interest, or any other interest out of its Working Interest, such carved-out interest shall be subject to the terms and provisions of this agreement, specifically including, but without limitation, Section 12.4 hereof entitled "Lien and Security Interest of Unit Operator and Working Interest Owners." If the Working Interest Owner creating such carved-out interest (a) fails to pay any Unit Expense chargeable to such Working Interest Owner under this agreement, and the production of Unitized Substances accruing to the credit of such Working Interest Owner is insufficient for that purpose, or (b) withdraws from this agreement under the terms and provisions of Article 17 hereof, the carved-out interest shall be chargeable with a pro rata portion of all Unit Expense incurred hereunder, the same as though carved-out interest were a Working Interest, and Unit Operator shall have the right to enforce against such carved-out interest the lien and all other rights granted in Section 12.4 for the purpose of collecting the Unit Expense chargeable to the carved-out interest.

12.7 Rentals. The Working Interest Owners in each Tract shall pay all rentals, minimum royalty, advance rentals or delay rentals due under the lease thereon and shall concurrently submit to the Unit Operator evidence of payment.

12.8 Budgets. Before or as soon as practical after the Effective Date, Unit Operator shall prepare a budget of estimated Unit Expense for the remainder of the calendar year, and, on or before the first day of each August thereafter, shall prepare a budget for the ensuing calendar year. A budget shall set forth the estimated Unit Expense by quarterly periods. Budgets shall be estimates only, and shall be adjusted or corrected by Working Interest Owners and Unit Operator whenever an adjustment or correction is proper. A copy of each budget and adjusted budget shall be furnished promptly to each Working Interest Owner.

### ARTICLE 13

#### NON-UNITIZED FORMATIONS

13.1 Right to Operate. Any Working Interest Owner that now has or hereafter acquires the right to drill for and produce oil, gas, or other minerals from a formation underlying the Unit Area 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 care to prevent unreasonable interference with Unit Operations. No Working Interest Owner other than Unit Operator 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 other Unit Working Interest Owners so

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
72. State "B" (was Tract 73)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 11: SE<math>\frac{1}{4}</math>NW<math>\frac{1}{4}</math></u>	40.00	B-2527-12 HBP 2/10/34	State of New Mexico 12 $\frac{1}{2}$	Two States Oil Company	None	Two States Oil Company 81.25% The Herman R. Grile Sr. Revoc- able Trust dated 9-28-76 18.75%	.073299
73. Skelly "G" (was Tract 12)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 30: NW<math>\frac{1}{4}</math>SE<math>\frac{1}{4}</math></u>	40.00	B-2690 HBP 4/2/34	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Co. 100%	.081241
74. Phillips (was Tract 7)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 30: NE<math>\frac{1}{4}</math>NW<math>\frac{1}{4}</math>, NW<math>\frac{1}{4}</math>NE<math>\frac{1}{4}</math></u>	80.00	B-2736-9 HBP 4/10/34	State of New Mexico 12 $\frac{1}{2}$	Wm. A. and Edward R. Hudson	None	**Gulf (EWSU Group) 100%	.029017
75. State "G" (was Tract 45)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 5: S<math>\frac{1}{2}</math>SW<math>\frac{1}{4}</math></u>	80.00	B-3114-3 HBP 9/24/34	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	Bradley Resources Corp. 5.46870	Atlantic Richfield Company 100%	.693134
76. State "J" (was Tract 105)	<u>T21S-R36E, N.M.P.M.</u> <u>Sec. 22: SW<math>\frac{1}{4}</math>NW<math>\frac{1}{4}</math></u>	40.00	B-3114-4 HBP 9/24/34	State of New Mexico 12 $\frac{1}{2}$	Amoco Production Co.	None	Atlantic Richfield Company 37.5% Amoco Production Co. 62.5%	.233315
77. State "N" (was Tract 8)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 30: Lot 2, SE<math>\frac{1}{4}</math> NW<math>\frac{1}{4}</math>, S<math>\frac{1}{2}</math>NE<math>\frac{1}{4}</math></u>	159.47	B-3423-1 HBP 10/29/34	State of New Mexico 12 $\frac{1}{2}$	Amarada Hess Corporation	None	Amerada Hess Corporation 100%	.148770
78. State "I93" (was Tract 9)	<u>T20S-R37E, N.M.P.M.</u> <u>Sec. 30: Lot 3</u>	39.57	B-3798-1 HBP 4/22/35	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Company 100%	.055491
66 STATE TRACTS	TOTALING	8,274.80	ACRES	OR 58.32% OF	UNIT	AREA		

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
<u>PATENTED LANDS:</u>							
79. White (NCT-A) (was Tract 5)	<u>T20S-R36E, N.M.P.M. Sec. 25: E3/4NE1/4, SE1/4</u>	240.00	HBP	See "A" and "B" below	None	Gulf Oil Corporation 100%	.714318*
A.	Sec. 25: W3/4SE1/4	(80.00)		Texaro Elmer H. Wahl Marguerite H. Pettway Susan Trimble Eubank Gean Trimble Heidmann John R. Hudspeth Union Texas Petroleum James Seth Oliver Seth Burford I. King, Trustee W. W. White, First National Bank of Denver, Lawrence W. White, Trust Weston Payne Trust Julia H. Payne Ruth G. Pickens Grandchildrens Joint Venture Sun Exploration & Production .19530 .07810 .19530 .19530 .19540 .19530 1.17190 .39060 .39060 .58590			(.127221)*
B.	Sec. 25: E3/4E1/4	(160.00)		Marguerite H. Pettway Susan Trimble Eubank Gean Trimble Heidmann John R. Hudspeth James Seth Oliver Seth W. W. White and The Merchants National Bank of Cedar Rapids, Iowa W. W. White First National Bank of Denver Lawrence W. White Family Trust Henry Vandenburg, Trustee U/W/O Virgil White .19530 .19530 .19530 .19530 .39060 .39060 .182290 1.82300 .23440			(.587097)*
80. Akens (was Tract 51)	<u>T21S-R36E, N.M.P.M. Sec. 3: SE1/4, N3/4SW1/4 SE1/4SW1/4</u>	280.00	HBP	See "A" and "B" below	None	Sun Exploration and Production Company 100%	.498853*
A.	Sec. 3: SE1/4	(160.00)		Atlantic Richfield Company Marjorie Cone Kastman 2.083400 .253900			*(.226552)



TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY		OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				OWNER AND PERCENTAGE				
				S. E. Cone, Jr.	.253900			
				Wilma Leigh Sparks	.270840			
				Clovilla Martin	.270840			
				Janie Walde Dean	.270840			
				Hafford Akens	.270840			
				Rowland Akens	.270840			
				Tortuga Oil & Gas, Inc.	.013100			
				Grace M. Larson	.000500			
				Katherine Cone Keck	.253900			
				John R. Royall Tr. U/W of Fannie May Royall, Dec'd	.001734			
				N. R. Royall, III Tr. U/W of Fannie May Royall, Dec'd.	.001733			
				Tucker K. Royall Tr. U/W of Fannie May Royall, Dec'd.	.001733			
				Liston Archer	.020900			
				David A. Bower, Agent	.046200			
				Jo Layne Antry	.156200			
				Penn Brothers, Inc.	.356500			
				J. R. Bower, Jr.	.135800			
				Est. of O. L. Coleman, Dec'd. c/o Emma Liston Archer Trst.	.395800			
				American State Bank, TTEE of James Robert Nislar Tr.	.048825			
				American State Bank, TTEE of O. L. Nislar, Jr. Tr.	.048825			
				Ora Lee Nislar	.097650			
				First National Bank and Vena H. Long, Ind. Exec. est. of F. O. Long, Dec'd.	.001000			
				No. 222-05963 Mobil-G. C. Corporation	1.562500			
				Eunice Cone Gibson	.117200			
				Everett R. Jones, Jr.	.015400			
				Charles W. Grimes, II and Philo W. Grimes, TTEE of the C. W. Grimes Trust	.302800			
				Mrs. Exor Megan, Gdn of Est. of Maude Eagle Pfouts NCM	.000500			
				Mobil Oil Corporation	3.12500			
				Nancy Eliz. Penson	1.069700			
				Petrust Corp. of America				

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
B.	Sec. 3: N $\frac{1}{2}$ S $\frac{1}{2}$ W $\frac{1}{2}$ ; SE $\frac{1}{4}$ SW $\frac{1}{4}$	(120.00)		.166700 James E. Wallace, Ind. Exec. of Est. of Paul H. Pewett			
				.146500 Mrs. Mary Vern Ransom			
				.208300 Francis K. Royall			
				.003100 John R. Royall Trustee U/W of N. R. Royall, Jr. Dec'd.			
				.000700 N. R. Royall, III Trustee U/W of N. R. Royall, Jr. Dec'd.			
				.000700 Tucker K. Royall, Trustee U/W of N. R. Royall, Jr. Dec'd.			
				.000700 Jack L. Hart			
				.001800 Georgia A. Stieren Ind. Exec. of Est. of Jack Stieren, Dec'd.			
				.015200 W. E. F. Holding Inc. c/o Chemical Bank Acct. No. 092-016073			
				.041600 Nora Walker			
				.000500 J. H. Williams			
				.195300 Atlantic Richfield Company			
				2.083400 Marjorie Cone Kastman			
				.253900 S. F. Cone, Jr.			
				.253900 Abraham Abramson Est.			
				.133900 Tortuga Oil & Gas, Inc.			
				.013100 Grace M. Larson			
				.000500 Katherine Cone Keck			
				.253900 John R. Royall Tr. U/W of Fannie May Royall Dec'd.			
				.001734 N. R. Royall III Tr. U/W of Fannie May Royall Dec'd.			
				.001733 Tucker K. Royall Tr. U/W of Fannie May Royall Dec'd.			
				.001733 Liston Archer			
				.020900 David A. Bower, Agent			
				.046200 Jo Layne Antly			
				.156200 Penn Brothers, Inc.			
				.356500 J. R. Bower, JR.			
				.135800 Rosemann Mahoney			
				.025100 Rosemann Mahoney, Exec. of the			

\*(.272301)

that production of Unitized Substances will not be adversely affected.

13.2 Multiple Completions. No well now or hereafter completed in the Unitized Formation shall ever be completed as a multiple completion with the Unitized Formation unless such multiple completion and subsequent handling of the multiple completion is approved by Working Interest Owners in accordance with the voting procedure described in Article 4.3 of this Agreement.

#### ARTICLE 14

##### TITLES

14.1 Warranty and Indemnity. Each Working Interest Owner represents and warrants that it is the owner of the respective Working Interest as shown to be owned by it on appropriate Exhibits to this Agreement and hereby indemnifies and holds the other Working Interest Owners harmless from any loss due to the failure, in whole or in part, of its title to any such interest, except failure of title arising out of operations hereunder; provided, however, that such indemnity and any liability for breach of warranty shall be limited to an amount equal to the net value that had been received from the sale of Unitized Substances attributed hereunder to the interest as to which title failed. Each failure of title will 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.

14.2 Failure of Title Because of Unit Operations. The failure of title to any Working Interest in any Tract because 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 Participations of the other Working Interest Owners at the time of the title failure.

## ARTICLE 15

### LIABILITY, CLAIMS AND SUITS

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

15.2 Settlements. Unit Operator may settle any single damage claim or suit involving Unit Operations if the expenditure does not exceed ten thousand dollars (\$10,000) and if the payment is in complete settlement of such claim or suit. If the amount required for settlement exceeds the above amount, Working Interest Owners shall determine the further handling of the claim or suit, unless such authority is 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, subject to such limitation as is set forth in Exhibit "E". 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 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 Unit Operator, and the claim or suit shall be treated as any other claim or suit involving Unit Operations.

## 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 hereof.

## ARTICLE 17

### WITHDRAWAL OF WORKING INTEREST OWNER

17.1 Withdrawal. A Working Interest Owner may withdraw from this Agreement by transferring, without warranty of title either express or implied, to the Working Interest Owners who do not desire to withdraw all its Oil and Gas Rights, exclusive of Royalty Interests, together with its interest in all Unit Equipment and in all wells used in Unit Operations, provided that such transfer shall not relieve such Working Interest Owner from any obligation or liability incurred prior to the first day of the month following receipt by Unit Operator of such transfer. The delivery of the transfer shall be made to Unit Operator for the transferees. The transferred interest shall be owned by the transferees in proportion to their respective Unit Participations. The transferees, in proportion to the respective interests so acquired, shall pay the transferor for its interest in Unit Equipment, the salvage value thereof less its share of the estimated cost of salvaging same and of plugging and abandoning all wells then being used or held for Unit Operations, as determined by Working Interest Owners. In the event such withdrawing owner's interest in the aforesaid salvage value is less than such owner's share of such estimated costs, the withdrawing owner, as a condition precedent to withdrawal, shall pay the Unit Operator, for the benefit of Working Interest Owners succeeding to its interest, a sum equal to the deficiency. Within sixty (60) days after receiving delivery of the transfer, Unit Operator shall render a final statement to the withdrawing owner for its share of Unit Expense, including any deficiency in salvage value, as determined by Working Interest Owners, incurred as of the first day of the month following the date of receipt of the transfer. Provided all Unit Expense, including any deficiency hereunder, due from the withdrawing owner has been paid in full within thirty (30) days after the rendering of such final statement by the Unit Operator, the transfer shall be effective the first day of the month following its receipt by Unit Operator and, as of such effective date, withdrawing owner shall be relieved from all further obligations and liabilities

hereunder and under the Unit Agreement, and the rights of the withdrawing Working Interest Owner hereunder and under the Unit Agreement shall cease insofar as they existed by virtue of the interest transferred.

17.2 Limitation on Withdrawal. Notwithstanding anything set forth in Article 17.1, Working Interest Owners may refuse to permit the withdrawal of a Working Interest Owner if its Working Interest is burdened by any royalties, overriding royalties, production payments, net proceeds interest, carried interest, or any other interest created out of the Working Interest in excess of one-eighth (1/8th) lessor's royalty, unless the other Working Interest Owners willing to accept the assignment agree to accept the Working Interest subject to such burdens.

## ARTICLE 18

### ABANDONMENT OF WELLS

18.1 Rights of Former Owners. If Working Interest Owners decide to permanently abandon any well completed in the Unitized Formation within the Unit Area prior to termination of the Unit Agreement, Unit Operator shall give written notice of such fact to the Working Interest Owners of the Tract on which such well is located and said Working Interest Owners shall have the right and option for a period of sixty (60) days after receipt of such notice to notify Unit Operator of their election to take over and own said well and to deepen or plug back said well to a formation other than the Unitized Formation. Within sixty (60) days after said Working Interest Owners have so notified Unit Operator of their desire to take over such well, they shall pay the Unit Operator, for credit to the joint account of the Working Interest Owners, the amount as estimated and fixed by Working Interest Owners to be the net salvage value of the equipment in and on said well, except casing and other equipment originally contributed at no cost. The Working Interest Owners of the Tract, by taking over the well, agree to seal off the Unitized Formation in a manner satisfactory to Working Interest Owners, and upon abandonment to plug the well in compliance with all applicable laws and regulations.

18.2 Plugging. In the event 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 accordance with applicable laws, and regulations.

ARTICLE 19  
EFFECTIVE DATE AND TERM

19.1 Effective Date. This Agreement shall become effective on the date and at the time the Unit Agreement becomes effective.

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 Working Interest Owners in accordance with Article 20 hereof, (b) all personal and real property acquired for the Joint Account of Working Interest Owners have been disposed of by Unit Operator in accordance with instructions of 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 desiring to take over

and continue to operate a well or wells located thereon may do so by paying Unit Operator, for the credit of the joint account, the net salvage value, as determined by the Working Interest Owners, of the equipment in and on the well, except casing and other equipment originally contributed at no cost, and by agreeing to properly plug the well at such time as it is abandoned.

20.1.3 Salvaging Wells. Unit Operator shall salvage as much of the casing and equipment 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 in compliance with applicable laws and regulations.

20.1.4 Cost of Abandonment. The cost of abandonment of Unit Operations shall be Unit Expense.

20.1.5 Distribution of Assets. Working Interest Owners shall share in the distribution of Unit Equipment, or the proceeds thereof, in proportion to their Unit Participations.

## ARTICLE 21

### LAWS, REGULATIONS AND CERTIFICATE OF COMPLIANCE

21.1 Laws and Regulations. This Agreement and operations hereunder are subject to all valid laws and valid rules, regulations and orders of all regulatory bodies having jurisdiction and to all other applicable federal, state, and local laws, ordinances, rules, regulations and orders; and any provision of this Agreement found to be contrary to or inconsistent with any such law, ordinance, rule, regulation or order shall be deemed modified accordingly.

21.2 Certificate of Compliance. In the performance of work under this Agreement, the parties agree to comply and Unit Operator shall require each independent contractor to comply with the provisions of Exhibit "F".



## ARTICLE 22

### EXCISE TAX PROVISIONS

22.1 Crude Oil Excise Tax. For the period during which excise taxes are payable under the Crude Oil Windfall Profit Tax Act of 1980 on any party's Unitized Substances, the first crude oil allocated to any Tract after distribution of any incremental tertiary crude as hereinafter provided shall be the tax tier type of crude oil actually produced or considered to have been produced from such Tract during the base period under I.R.C. regulations but not to exceed its Tract Participation share or the amount of such tax tier type of crude oil currently available. Any excess of a tax tier type of crude oil existing after the foregoing specific identification allocation shall be allocated to the remaining Tracts in the Unit which have an underallocation of crude oil in proportion to the amount of their relative underallocations of crude oil. Anything hereinabove notwithstanding, any incremental tertiary oil as defined under I.R.C. Section 4993 shall be allocated to each Tract in accordance with its Tract Participation prior to any other allocation of tax tier type of crude oil under this Article 22.1. In no case shall the sum of the different tax tier types of crude oil allocated to any Tract exceed the total amount of crude oil allocable under its Tract Participation.

22.2 Amendment By Working Interest Owners. This Article 22 may be amended or deleted by vote of the Working Interest Owners using the voting procedure set out in Article 4.3 of this Operating Agreement if in the opinion of the Working Interest Owners (a) application of Article 22 as written becomes unworkable or inequitable as a result of changes in laws or regulations of any governmental agency, or (b) amendment or deletion of this Article 22 is necessary to comply with applicable laws, rules, regulations or orders of any governmental agency having jurisdiction.

## ARTICLE 23

### GOVERNMENTAL REGULATIONS

23.1 Governmental Regulations. Working Interest Owners agree to release Unit Operator from any and all losses, damages,

injuries, claims and causes of action arising out of, incident to or resulting directly or indirectly from Unit Operator's interpretation or application of rules, rulings, regulations or orders of any governmental agency or predecessor agencies to the extent Unit Operator's interpretation or application of such rules, rulings, regulations or orders were made in good faith. Working Interest Owners further agree to reimburse Unit Operator for their proportionate share of any amounts Unit Operator may be required to refund, rebate or pay as a result of an incorrect interpretation or application of the above noted rules, rulings, regulations or orders, together with their proportionate part of interest and penalties owing by Unit Operator as a result of such incorrect interpretation or application of such rules, rulings, regulations or orders.

#### ARTICLE 24

##### COUNTERPART EXECUTION

24.1 Counterpart Execution. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties and may be ratified or consented to by separate instrument in writing specifically referring hereto, and shall be binding upon all those parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the land within the above described Unit Area. Furthermore, this Agreement shall extend to and be binding on the parties hereto, their successors, heirs and assigns.

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

GULF OIL CORPORATION *KW*

By 

Attorney-in-Fact

Date of Execution:

June 22, 1984

THE STATE OF TEXAS §

COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 22nd  
day of June, 19 84, by L. A. Turner,  
Attorney-in-Fact, for/of Gulf Oil Corporation,  
a Pennsylvania corporation, on  
behalf of said corporation.

My Commission Expires:

7-30-88

Carolyn D. Larson

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EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
ALLISON, ANN	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
ALLISON, ANN		0.004754
AMERADA	63	0.000418
	67	0.009153
	74	0.000418
	77	0.148770
	84	1.153271
	91	0.000378
	94A	0.000898
	94B	0.001315
-----		-----
AMERADA		1.314621
AMOCO	1	2.077190
	2	0.230352
	3	0.161889
	4	0.017721
	5	0.063690
	6	0.080786
	7	1.666126
	8	2.264863
	9	0.331526
	10	0.584461
	11	0.027077
	58	0.031885
	61	0.391924
	63	0.002669
	67	0.058370
	74	0.002664
	76	0.145822
	91	0.002409
	94A	0.005727
	94B	0.008388
	101	0.228542
-----		-----
AMOCO		8.384081
APOLLO	81	0.108986
ARCO	1	2.077190
	2	0.230352
	3	0.161889
	4	0.017721
	5	0.063690
	6	0.080786
	7	1.666126
	8	2.264863
	9	0.331526
	27	2.680609

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

2

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
ARCO	28	0.934498
	43	0.634662
	44	0.063394
	45	0.238845
	46	0.135395
	47	0.132933
	49	0.751002
	50	0.050367
	59	0.882435
	62	0.158116
	63	0.006334
	64	0.067881
	66	0.512798
	67	0.138533
	68	0.220246
	74	0.006324
	75	0.693134
	76	0.087493
	78	0.055491
	82	0.250057
	83	0.192757
	87	3.457004
	91	0.005718
	92	0.050973
	94A	0.013594
	94B	0.019908
	96	0.363610
	99	0.173659
	100	0.026594
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ARCO		19.898507
BERGERE, SUE	44	0.006973
	45	0.026273
	46	0.014893
	47	0.014623
-----		-----
BERGERE, SUE		0.062762
BOSS	81	0.217972
CATRON, J.B.	44	0.011834
	45	0.044585
	46	0.025274
	47	0.024815
-----		-----
CATRON, J.B.		0.106508

EXHIBIT C  
 WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
 EUNICE MONUMENT SOUTH UNIT  
 LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
CATRON, JOHN S.	44	0.004609
	45	0.017364
	46	0.009843
	47	0.009664
-----		-----
CATRON, JOHN S.		0.041480
CATRON, JS & TB	48	0.018148
CATRON, T.B. III	44	0.005243
	45	0.019753
	46	0.011197
	47	0.010993
-----		-----
CATRON, T.B. III		0.047186
CATRON, T.B. IV	44	0.003170
	45	0.011942
	46	0.006770
	47	0.006647
-----		-----
CATRON, T.B. IV		0.028529
CATRON, TB	48	0.018148
CHEVRON	1	2.077189
	2	0.230351
	3	0.161889
	4	0.017720
	5	0.063690
	6	0.080786
	7	1.666127
	8	2.264864
	9	0.331526
	63	0.002215
	67	0.048460
	74	0.002213
	91	0.002000
	94A	0.004755
	94B	0.006965
-----		-----
CHEVRON		6.960750
CITIES	39	0.244360
	41	0.751093
	63	0.000320
	67	0.006998
	74	0.000319
	91	0.000289
	94A	0.000687
	94B	0.001005
-----		-----
CITIES		1.005071

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EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
CONOCO	1	2.077189
	2	0.230351
	3	0.161888
	4	0.017721
	5	0.063690
	6	0.080786
	7	1.666127
	8	2.264863
	9	0.331526
	25	0.474353
	26	1.957890
	63	0.002998
	67	0.065557
	74	0.002994
	91	0.002706
	94A	0.006432
	94B	0.009421
-----		-----
CONOCO		9.416492
COPPEDGE, DAVID	44	0.000264
	45	0.000995
	46	0.000564
	47	0.000554
-----		-----
COPPEDGE, DAVID		0.002377
COPPEDGE, JAMES	44	0.000264
	45	0.000995
	46	0.000564
	47	0.000554
-----		-----
COPPEDGE, JAMES		0.002377
CRILE, HERMAN	72	0.013744
	91	0.026231
-----		-----
CRILE, HERMAN		0.039975
EDDY, JOHN	44	0.007085
	45	0.026694
	46	0.015132
	47	0.014856
-----		-----
EDDY, JOHN		0.063767

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EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
EXXON	12	0.151224
	37	1.762315
	63	0.001563
	67	0.034173
	74	0.001560
	88	0.931331
	89	0.211656
	90	1.604876
	91	0.001410
	94A	0.003353
	94B	0.004911
-----		-----
EXXON		4.908372
FIELDS	63	0.058119
	63	0.000019
	67	0.000409
	74	0.000019
	91	0.000017
	94A	0.000040
	94B	0.000058
-----		-----
FIELDS		0.058681
FREY, JANE	44	0.003994
	45	0.015047
	46	0.008530
	47	0.008375
-----		-----
FREY, JANE		0.035946
GETTY	23	0.918559
	24	0.277424
	30	1.328423
	31	0.137520
	32	0.427150
	33	0.169794
	38	0.442503
	43	0.634662
	56	0.186322
	60	0.559636
	65	0.009005
	73	0.081241
	82	0.250056
	95	0.375553
	97	1.415360
	99	0.086860
	100	0.013302
-----		-----
GETTY		7.313370



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EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
GOULD, GERALDINE	44	0.006182
	45	0.023290
	46	0.013203
	47	0.012961
-----		-----
GOULD, GERALDINE		0.055636
GULF	13	1.055350
	14	2.739613
	15	3.195507
	16	0.682139
	17	3.726787
	18	1.459570
	19	0.426101
	20	0.796347
	21	0.355963
	22	2.683321
	29	0.405359
	34	3.559765
	35	1.701394
	36	0.361025
	38	0.885006
	40	0.051028
	42	0.032483
	51	2.723870
	55	0.221097
	57	0.520475
	63	0.009825
	67	0.214881
	71	0.825987
	74	0.009811
	79A	0.127221
	79B	0.587097
	85	0.185457
	86	0.649685
	89	0.211657
	91	0.008869
	94A	0.021084
	94B	0.030881
	99	0.347319
	100	0.053189
-----		-----
GULF		30.865163
HOBBIS, MARJORIE	44	0.007607
	45	0.028661
	46	0.016248
	47	0.015951
-----		-----
HOBBIS, MARJORIE		0.068467

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EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
KOCH	63	0.000105
	67	0.002295
	69	0.326589
	74	0.000105
	91	0.000095
	94A	0.000225
	94B	0.000331
-----		-----
KOCH		0.329745
LANDEN, DIANE	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
LANDEN, DIANE		0.004754
MCWHORTER, BRENT	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
MCWHORTER, BRENT		0.004754
MCWHORTER, MARY	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
MCWHORTER, MARY		0.004754
ME-TEX	48	0.254073
MOORE, JANE E.	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
MOORE, JANE E.		0.004754
MOORE, MICHAEL	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
MOORE, MICHAEL		0.004754
PERDEW	69	0.017189
PFLUGER	40	0.025521
	42	0.032484
-----		-----
PFLUGER		0.058005

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

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WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
S&S	63	0.000032
	67	0.000693
	74	0.000032
	81	0.108986
	91	0.000028
	94A	0.000068
	94B	0.000099
-----		-----
S&S		0.109938
SHELBY	63	0.058119
	63	0.000019
	67	0.000409
	74	0.000019
	91	0.000017
	94A	0.000040
	94B	0.000058
-----		-----
SHELBY		0.058681
SHELL	52	0.237670
	53	5.112412
	54	0.485839
	63	0.002152
	67	0.047066
	70	0.287522
	74	0.002149
	91	0.001943
	94A	0.004618
	94B	0.006763
	98	0.572268
-----		-----
SHELL		6.760402
SUN	38	0.442503
	63	0.000321
	67	0.007010
	74	0.000320
	80A	0.226552
	80B	0.272301
	91	0.000289
	93A	0.055857
	94A	0.000688
	94B	0.001007
-----		-----
SUN		1.006848
TURNER	63	0.087178

EXHIBIT C  
 WORKING INTEREST OWNER SUMMARY AS OF FEBRUARY 1, 1985  
 EUNICE MONUMENT SOUTH UNIT  
 LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNER	TRACT OWNED	UNIT PARTICIPATION
TWO STATES	63	0.000036
	67	0.000787
	72	0.059555
	74	0.000036
	91	0.052462
	91	0.000033
	94A	0.000077
	94B	0.000113
-----		-----
TWO STATES		0.113099
WALLACE, MAXINE	44	0.002473
	45	0.009315
	46	0.005281
	47	0.005185
-----		-----
WALLACE, MAXINE		0.022254
WHEELER, EDITH	44	0.000528
	45	0.001990
	46	0.001128
	47	0.001108
-----		-----
WHEELER, EDITH		0.004754
WISER OIL	63	0.000034
	67	0.000738
	74	0.000034
	91	0.104924
	91	0.000030
	94A	0.000072
	94B	0.000106
-----		-----
WISER OIL		0.105938
		=====
		100.000000

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
1	AMOCO	2.077190
	ARCO	2.077190
	CHEVRON	2.077189
	CONOCO	2.077189
-----		-----
1		8.308758
2	AMOCO	0.230352
	ARCO	0.230352
	CHEVRON	0.230351
	CONOCO	0.230351
-----		-----
2		0.921406
3	AMOCO	0.161889
	ARCO	0.161889
	CHEVRON	0.161889
	CONOCO	0.161888
-----		-----
3		0.647555
4	AMOCO	0.017721
	ARCO	0.017721
	CHEVRON	0.017720
	CONOCO	0.017721
-----		-----
4		0.070883
5	AMOCO	0.063690
	ARCO	0.063690
	CHEVRON	0.063690
	CONOCO	0.063690
-----		-----
5		0.254760
6	AMOCO	0.080786
	ARCO	0.080786
	CHEVRON	0.080786
	CONOCO	0.080786
-----		-----
6		0.323144
7	AMOCO	1.666126
	ARCO	1.666126
	CHEVRON	1.666127
	CONOCO	1.666127
-----		-----
7		6.664506

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
8	AMOCO ARCO CHEVRON CONOCO	2.264863 2.264863 2.264864 2.264863 ----- 9.059453
9	AMOCO ARCO CHEVRON CONOCO	0.331526 0.331526 0.331526 0.331526 ----- 1.326104
10	AMOCO	0.584461
11	AMOCO	0.027077
12	EXXON	0.151224
13	GULF	1.055350
14	GULF	2.739613
15	GULF	3.195507
16	GULF	0.682139
17	GULF	3.726787
18	GULF	1.459570
19	GULF	0.426101
20	GULF	0.796347
21	GULF	0.355963
22	GULF	2.683321
23	GETTY	0.918559
24	GETTY	0.277424
25	CONOCO	0.474353
26	CONOCO	1.957890
27	ARCO	2.680609
28	ARCO	0.934498
29	GULF	0.405359

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
30	GETTY	1.328423
31	GETTY	0.137520
32	GETTY	0.427150
33	GETTY	0.169794
34	GULF	3.559765
35	GULF	1.701394
36	GULF	0.361025
37	EXXON	1.962315
38	GETTY	0.442503
	GULF	0.885006
	SUN	0.442503
-----		-----
38		1.770012
39	CITIES	0.244360
40	GULF	0.051028
	PFLUGER	0.025521
-----		-----
40		0.076549
41	CITIES	0.751093
42	GULF	0.032483
	PFLUGER	0.032484
-----		-----
42		0.064967
43	ARCO	0.634662
	GETTY	0.634662
-----		-----
43		1.269324
44	ALLISON, ANN	0.000528
	ARCO	0.063394
	BERGERE, SUE	0.006973
	CATRON, J.B.	0.011834
	CATRON, JOHN S.	0.004609
	CATRON, T.B. III	0.005243
	CATRON, T.B. IV	0.003170
	COPPEDGE, DAVID	0.000264
	COPPEDGE, JAMES	0.000264
	EDDY, JOHN	0.007085
	FREY, JANE	0.003994
	GOULD, GERALDINE	0.006182
	HOBBS, MARJORIE	0.007607

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
44	LANDEN, DIANE	0.000528
	MCWHORTER, BRENT	0.000528
	MCWHORTER, MARY	0.000528
	MOORE, JANE E.	0.000528
	MOORE, MICHAEL	0.000528
	WALLACE, MAXINE	0.002473
	WHEELER, EDITH	0.000528
-----		-----
44		0.126788
45	ALLISON, ANN	0.001990
	ARCO	0.238845
	BERGERE, SUE	0.026273
	CATRON, J.B.	0.044585
	CATRON, JOHN S.	0.017364
	CATRON, T.B. III	0.019753
	CATRON, T.B. IV	0.011942
	COPPEDGE, DAVID	0.000995
	COPPEDGE, JAMES	0.000995
	EDDY, JOHN	0.026694
	FREY, JANE	0.015047
	GOULD, GERALDINE	0.023290
	HOBBS, MARJORIE	0.028661
	LANDEN, DIANE	0.001990
	MCWHORTER, BRENT	0.001990
	MCWHORTER, MARY	0.001990
	MOORE, JANE E.	0.001990
	MOORE, MICHAEL	0.001990
	WALLACE, MAXINE	0.009315
	WHEELER, EDITH	0.001990
-----		-----
45		0.477689
46	ALLISON, ANN	0.001128
	ARCO	0.135395
	BERGERE, SUE	0.014893
	CATRON, J.B.	0.025274
	CATRON, JOHN S.	0.009843
	CATRON, T.B. III	0.011197
	CATRON, T.B. IV	0.006770
	COPPEDGE, DAVID	0.000564
	COPPEDGE, JAMES	0.000564
	EDDY, JOHN	0.015132
	FREY, JANE	0.008530
	GOULD, GERALDINE	0.013203
	HOBBS, MARJORIE	0.016248
	LANDEN, DIANE	0.001128
	MCWHORTER, BRENT	0.001128
	MCWHORTER, MARY	0.001128
	MOORE, JANE E.	0.001128
	MOORE, MICHAEL	0.001128
	WALLACE, MAXINE	0.005281
	WHEELER, EDITH	0.001128
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EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
46		0.270790
47	ALLISON, ANN	0.001108
	ARCO	0.132933
	BERGERE, SUE	0.014623
	CATRON, J.B.	0.024815
	CATRON, JOHN S.	0.009664
	CATRON, T.B. III	0.010993
	CATRON, T.B. IV	0.006647
	COPPEDGE, DAVID	0.000554
	COPPEDGE, JAMES	0.000554
	EDDY, JOHN	0.014856
	FREY, JANE	0.008375
	GOULD, GERALDINE	0.012961
	HOBBS, MARJORIE	0.015951
	LANDEN, DIANE	0.001108
	MCWHORTER, BRENT	0.001108
	MCWHORTER, MARY	0.001108
	MOORE, JANE E.	0.001108
	MOORE, MICHAEL	0.001108
	WALLACE, MAXINE	0.005185
	WHEELER, EDITH	0.001108
-----		-----
47		0.265867
48	CATRON, JS & TB	0.018148
	CATRON, TB	0.018148
	ME-TEX	0.254073
-----		-----
48		0.290369
49	ARCO	0.751002
50	ARCO	0.050367
51	GULF	2.723870
52	SHELL	0.237670
53	SHELL	5.112412
54	SHELL	0.485839
55	GULF	0.221097
56	GETTY	0.186322
57	GULF	0.520475
58	AMOCO	0.031885
59	ARCO	0.882435

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
60	GETTY	0.559636
61	AMOCO	0.391924
62	ARCO	0.158116
63	AMERADA	0.000418
	AMOCO	0.002669
	ARCO	0.006334
	CHEVRON	0.002215
	CITIES	0.000320
	CONOCO	0.002998
	EXXON	0.001563
	FIELDS	0.058119
	FIELDS	0.000019
	GULF	0.009825
	KOCH	0.000105
	S&S	0.000032
	SHELBY	0.058119
	SHELBY	0.000019
	SHELL	0.002152
	SUN	0.000321
	TURNER	0.087178
	TWO STATES	0.000036
	WISER OIL	0.000034
-----		-----
63		0.232476
64	ARCO	0.067881
65	GETTY	0.009005
66	ARCO	0.512798
67	AMERADA	0.009153
	AMOCO	0.058370
	ARCO	0.138533
	CHEVRON	0.048460
	CITIES	0.006998
	CONOCO	0.065557
	EXXON	0.034173
	FIELDS	0.000409
	GULF	0.214881
	KOCH	0.002295
	S&S	0.000693
	SHELBY	0.000409
	SHELL	0.047066
	SUN	0.007010
	TWO STATES	0.000787
	WISER OIL	0.000738
-----		-----
67		0.635532

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
68	ARCO	0.220246
69	KOCH	0.326589
	PERDEW	0.017189
-----		-----
69		0.343778
70	SHELL	0.287522
71	GULF	0.825987
72	CRILE, HERMAN	0.013744
	TWO STATES	0.059555
-----		-----
72		0.073299
73	GETTY	0.081241
74	AMERADA	0.000418
	AMOCO	0.002664
	ARCO	0.006324
	CHEVRON	0.002213
	CITIES	0.000319
	CONOCO	0.002994
	EXXON	0.001560
	FIELDS	0.000019
	GULF	0.009811
	KOCH	0.000105
	S&S	0.000032
	SHELBY	0.000019
	SHELL	0.002149
	SUN	0.000320
	TWO STATES	0.000036
	WISER OIL	0.000034
-----		-----
74		0.029017
75	ARCO	0.693134
76	AMOCO	0.145822
	ARCO	0.087493
-----		-----
76		0.233315
77	AMERADA	0.148770
78	ARCO	0.055491
79A	GULF	0.127221
79B	GULF	0.587097
80A	SUN	0.226552

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
80B	SUN	0.272301
81	APOLLO	0.108986
	BOSS	0.217972
	S&S	0.108986
-----		-----
81		0.435944
82	ARCO	0.250057
	GETTY	0.250056
-----		-----
82		0.500113
83	ARCO	0.192757
84	AMERADA	1.153271
85	GULF	0.185457
86	GULF	0.649685
87	ARCO	3.457004
88	EXXON	0.931331
89	EXXON	0.211656
	GULF	0.211657
-----		-----
89		0.423313
90	EXXON	1.604876
91	AMERADA	0.000378
	AMOCO	0.002409
	ARCO	0.005718
	CHEVRON	0.002000
	CITIES	0.000289
	CONOCO	0.002706
	CRILE, HERMAN	0.026231
	EXXON	0.001410
	FIELDS	0.000017
	GULF	0.008869
	KOCH	0.000095
	S&S	0.000028
	SHELBY	0.000017
	SHELL	0.001943
	SUN	0.000289
	TWO STATES	0.052462
	TWO STATES	0.000033
	WISER OIL	0.104924
	WISER OIL	0.000030
-----		-----
91		0.209848

EXHIBIT C  
WORKING INTEREST OWNER SUMMARY BY TRACT  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
92	ARCO	0.050973
93A	SUN	0.055857
94A	AMERADA	0.000898
	AMOCO	0.005727
	ARCO	0.013594
	CHEVRON	0.004755
	CITIES	0.000687
	CONOCO	0.006432
	EXXON	0.003353
	FIELDS	0.000040
	GULF	0.021084
	KOCH	0.000225
	S&S	0.000068
	SHELBY	0.000040
	SHELL	0.004618
	SUN	0.000688
	TWO STATES	0.000077
	WISER OIL	0.000072
-----		-----
94A		0.062358
94B	AMERADA	0.001315
	AMOCO	0.008388
	ARCO	0.019908
	CHEVRON	0.006965
	CITIES	0.001005
	CONOCO	0.009421
	EXXON	0.004911
	FIELDS	0.000058
	GULF	0.030881
	KOCH	0.000331
	S&S	0.000099
	SHELBY	0.000058
	SHELL	0.006763
	SUN	0.001007
	TWO STATES	0.000113
	WISER OIL	0.000106
-----		-----
94B		0.091329
95	GETTY	0.375553
96	ARCO	0.363610
97	GETTY	1.415360
98	SHELL	0.572268

EXHIBIT C  
 WORKING INTEREST OWNER SUMMARY BY TRACT  
 EUNICE MONUMENT SOUTH UNIT  
 LEA COUNTY, NEW MEXICO

TRACT OWNED	WORKING INTEREST OWNER	UNIT PARTICIPATION
99	ARCO	0.173659
	GETTY	0.086860
	GULF	0.347319
-----		-----
99		0.607838
100	ARCO	0.026594
	GETTY	0.013302
	GULF	0.053189
-----		-----
100		0.093085
101	AMOCO	0.228542
		=====
		100.000000

EXHIBIT "D"

EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

INSURANCE COVERAGE

- (a) Workmen's Compensation Insurance and Employers' Liability Insurance in accordance with the laws of the state in which the Contract Area is situated;

and,

- (b) Comprehensive General Public Liability in the following amounts:

Bodily Injury:	\$150,000.00 each occurrence \$300,000.00 aggregate
Property Damage:	\$100,000.00 each occurrence, with the exception of the first \$5,000.00 loss which is self-insured \$200,000.00 aggregate

The \$5,000.00 self-insured property damage loss incident to each accident shall be charged to the Joint Account.

# EXHIBIT " E "

EUNICE MONUMENT SOUTH UNIT  
LEA 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 <sup>thirty (30)</sup> ~~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%) 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 the percent most recently recommended by the Council of Petroleum Accounts Societies of North America.

### 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 \$400 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:

- ( X ) 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 ( X ) 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 \$ 4,960.00  
Producing Well Rate \$ 496.00

- (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 \$25,000:

- A. \_\_\_\_\_ 5 % of total costs if such costs are more than \$ 25,000 but less than \$ 100,000; plus
- B. \_\_\_\_\_ 3 % of total costs in excess of \$100,000 but less than \$1,000,000; plus
- C. \_\_\_\_\_ 2 % 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 <sup>twenty-five 25¢</sup> ~~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"

EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

CERTIFICATE OF COMPLIANCE

Contractor agrees that, as to all current contracts and purchase orders, as defined below, heretofore issued or entered into by Gulf, as purchaser, for the furnishing of supplies or services by Contractor, and as to each such contract and purchase order, which may hereafter be issued or entered into by Gulf in favor of the Contractor during one year from the date of execution of this Certificate, the Contractor will comply with the Federal Government's Requirements as identified below, and agrees that without further reference thereto the provisions contained in this Certificate shall be a part of each such contract and purchase order.

For the purpose of this Certificate, the words "contract" and "purchase order" shall mean any nonexempt agreement or arrangement between Gulf and the Contractor for the furnishing of supplies or services or for the use of real or personal property, including lease arrangements which, in whole or in part, are necessary to the performance of any one or more contracts between Gulf and the United States of America or under which any portion of the Gulf's obligation under any one or more such contracts is performed, undertaken, or assumed.

Gulf understands and agrees that Contractor's assent to the incorporation of the provisions in this Certificate into every nonexempt contract and purchase order between Gulf and Contractor during the periods specified herein is intended to satisfy Gulf's requirements under the governing executive orders and statutes (reference to which includes amendments and orders superseding in whole or in part) and the rules and regulations issued thereunder. Gulf further understands and agrees that this Certification is not meant to create, nor shall it be construed as creating, any enforceable rights hereunder for any firm, organization or individual who is not a party to any such contract or purchase order between Gulf and Contractor.

NONSEGREGATED FACILITIES

The undersigned bidder, offerer, applicant, seller, contractor, or subcontractor, hereinafter referred to as Contractor, certifies to Gulf and the Federal Government agencies with which it contracts that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise.

EMPLOYMENT OF THE HANDICAPPED

Applicable to all contracts and purchase orders exceeding \$2,500, not otherwise exempted: Contractor agrees to comply with Rehabilitation Act of 1973 and all orders, rules, and regulations issued thereunder and amendments thereto.

EQUAL OPPORTUNITY,  
VETERANS, AND MINORITY BUSINESS ENTERPRISES

Applicable to all contracts and purchase orders exceeding \$10,000, not otherwise exempted: Contractor agrees to comply with Executive Order 11246 regarding

Equal Opportunity and all orders, rules and regulations issued thereunder or amendments thereto. Contractor agrees to comply with Executive Order 11701 and Vietnam Veteran's Readjustment Act of 1974 and orders, rules, and regulations issued thereunder or amendments thereto. Contractor agrees to comply with Executive Orders 11458 and 11625 regarding Minority Business Enterprises and all orders, rules, and regulations issued thereunder or amendments thereto.

MINORITY BUSINESS ENTERPRISES AND  
UTILIZATION OF SMALL BUSINESS CONCERNS  
AND SMALL BUSINESS CONCERNS OWNED AND CONTROLLED  
BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS

Contractor agrees to comply with Executive Order 11625 regarding Minority Business Enterprises and all orders, rules and regulations issued thereunder or amendments thereto.

Applicable to all contracts of over \$10,000 not otherwise exempted:

(A) It is the policy of the United States that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in the performance of contracts let by any Federal agency.

(B) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with the efficient performance of this contract. The Contractor further agrees to cooperate in any studies or surveys that may be conducted by the Small Business Administration or the contracting agency which may be necessary to determine the extent of the Contractor's compliance with this clause.

(C) (1) The terms "small business concern" shall mean a small business as defined pursuant to Section 3 of the Small Business Act and in relevant regulations promulgated pursuant thereto.

(2) The term "small business concern owned and controlled by socially and economically disadvantaged individuals" shall mean a small business concern--

(i) which is at least 51 per centum owned by one or more socially and economically disadvantaged individuals; or in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by one or more socially and economically disadvantaged individuals; and

(ii) whose management and daily business operations are controlled by one or more of such individuals.

The contractor shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other minorities, or any other individual found to be disadvantaged by the Small Business Administration pursuant to section 8(a) of the Small Business Act.

(D) Contractors acting in good faith may rely on written representations by their subcontractors as either a small business concern or a small business concern owned and controlled by socially and economically disadvantaged individuals.

SMALL BUSINESS AND SMALL DISADVANTAGED  
BUSINESS SUBCONTRACTING (OVER \$500,000 OR  
\$1,000,000 FOR CONSTRUCTION OF ANY PUBLIC FACILITY)

Applicable to all contracts over \$500,000 or \$1,000,000 for construction of any public facility not otherwise exempted:

Pursuant to Temporary Regulation 50, Supplement 2(c) where applicable the contractor agrees to negotiate detailed subcontracting plan.

UTILIZATION OF WOMEN-OWNED BUSINESS CONCERNS

Applicable to all contracts over \$10,000 not otherwise exempted:

(A) It is the policy of the United States Government that women-owned businesses shall have the maximum practicable opportunity to participate in the

performance of contracts awarded by any Federal agency.

(B) The Contractor agrees to use his best efforts to carry out this policy in the award of subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, a "woman-owned business" concern means a business that is at least 51% owned by a woman or women who also control and operate it. "Control" in this context means exercising the power to make policy decisions. "Operate" in this context means being actively involved in the day-to-day management. "Women" mean all women business owners.

WOMEN-OWNED BUSINESS CONCERNS SUBCONTRACTING PROGRAM

Applicable to all contracts over \$500,000 or \$1,000,000 for construction of any public facility not otherwise exempted:

(A) The Contractor agrees to establish and conduct a program which will enable women-owned business concerns to be considered fairly as subcontractors and suppliers under this contract. In this connection, the contractor shall:

1. Designate a liaison officer who will administer the Contractor's "Women-Owned Business Concerns Program".
2. Provide adequate and timely consideration of the potentialities of known women-owned business concerns in all "make-or-buy" decisions.
3. Develop a list of qualified bidders that are women-owned businesses and assure that known women-owned business concerns have an equitable opportunity to compete for subcontracts, particularly by making information on forthcoming opportunities available by arranging solicitations, time for preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of women-owned business concerns.
4. Maintain records showing (i) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of women-owned business concerns; (ii) awards to women-owned businesses on the source list by minority and non-minority women-owned business concerns; and (iii) specific efforts to identify and award contracts to women-owned business concerns.
5. Include the "Utilization of Women-Owned Business Concerns" clause in subcontracts which offer substantial subcontracting opportunities.
6. Cooperate in any studies and surveys of the Contractor's women-owned business concerns procedures and practices that the Contracting Officer may from time-to-time conduct.
7. Submit periodic reports of subcontracting to women-owned business concerns with respect to the records referred to in subparagraph 4 above, in such form and manner and at such time (not more often than quarterly) as the Contracting Officer may prescribe.

(B) The Contractor further agrees to insert, in any subcontract hereunder which may exceed \$500,000 or \$1,000,000 in the case of contracts for the construction of any public facility and which offers substantial subcontracting possibilities, provisions which shall conform substantially to the language of this clause, including this paragraph B and to notify the Contracting Officer of the names of such subcontractors.

(C) The Contractor further agrees to require written certification by its subcontractors that they are bona fide women-owned and controlled business concerns in accordance with the definition of a women-owned business concern as set forth in the Utilization Clause 1(b) above at the time of submission of bids or proposals.

The aforementioned Contractor agrees that the provisions of this Certificate of Compliance are hereby incorporated in every nonexempt contract or purchase order between us currently in force or that may be issued during one year from the date of execution of the Operating Agreement.



EXHIBIT " G "

EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

GAS STORAGE AND BALANCING AGREEMENT

The parties to the Operating Agreement to which this agreement is attached own the working interests underlying the Unit Area covered by such agreement in accordance with the percentages of participation as set forth in Exhibit "B" to the Operating Agreement.

In accordance with the terms of the Operating Agreement, each party thereto has the right, subject to existing contracts, to take its share of the casinghead gas produced from the Unit Area and market the same. Existing casinghead contracts for the individual tracts shall remain in place and shall be the basis for settlement between the purchasers and the individual parties to this agreement. Settlement volumes will be based on the volume delivered to a purchaser and will be apportioned to the parties in the ratio that a single tract's unit participation bears to the sum of the unit participations of all tracts which are dedicated to that purchaser. In the event any of the parties hereto is not at any time taking or marketing its share of gas or has contracted to sell its share of gas produced from the Unit Area to a purchaser which does not at any time while this agreement is in effect take the full share of gas attributable to the interest of such party, the terms of this agreement shall automatically become effective.

During the period or periods when any party hereto has no market or fails to take its share of gas produced from any tract within the Unit Area, or its purchaser does not take its full share of gas produced from such tract, the other parties shall be entitled to take each month one hundred percent (100%) of the gas production assigned to such tract and shall be entitled to deliver to its or their purchaser all of such gas production.

On a cumulative basis, each purchaser and each party not taking its full share of the gas produced shall be credited with gas in storage equal to its full share of the gas produced under this agreement, less its share of gas used in lease operations, vented or lost, and less that portion such purchaser and such party took. The Operator will maintain current accounts of the gas balances between the various purchasers and between the various parties hereto, and will furnish all purchasers and parties hereto monthly statements showing the total quantity of gas produced, the amount used in lease operations, vented or lost, and the monthly and cumulative over and under account of each purchaser and party hereto. The Operator will, from time to time, adjust the volumes delivered to each purchaser so as to minimize the relative over/short positions of all purchasers and parties.

At all times while gas is produced from the Unit Area, each party hereto will make settlement with the respective royalty owners to whom they are each accountable, just as if each party were taking or delivering to a purchaser its share, and its share only, of total gas production exclusive of gas used in lease operations, vented or lost. Each party hereto agrees to hold each other party harmless from any and all claims for royalty payments asserted by royalty owners to whom each party is accountable. The term "royalty owner" shall include owners of royalty, overriding royalties, production payments, and similar interests.

After notice to the Operator, any party at any time may begin taking or delivering to its purchaser its full share of the gas produced from a tract under which it has gas in storage less such party's share of gas used in operations, vented or lost. In addition to such share, each party, including the Operator, until it has recovered its gas in storage and balanced the gas account as to its interest, shall



be entitled to take or deliver to its purchaser a share of gas determined by multiplying fifty percent (50%) of the interest in the current gas production of the party or parties without gas in storage by a fraction, the numerator of which is the interest in the tract or tracts of such party with gas in storage and the denominator of which is the total percentage interest in such tracts of all parties with gas in storage currently taking or delivering to a purchaser.

Each party taking or delivering gas to its purchaser shall pay any and all production taxes due on such gas.

Should production of gas from the Unit Area be permanently discontinued before the gas account is balanced, settlement will be made between the underproduced and overproduced parties. In making such settlement, the underproduced party or parties will be paid a sum of money, by the overproduced party or parties attributable to the overproduction which said overproduced party received, equal to the proceeds received less applicable taxes theretofore paid for the latest delivery of a volume of gas equal to that for which settlement is made.

Nothing herein shall change or affect each party's obligation to pay its proportionate share of all costs and liabilities incurred, as its share thereof is set forth in the Operating Agreement.

This agreement shall constitute a separate agreement as to each tract within the Unit Area and shall become effective in accordance with its terms and shall remain in force and effect as long as the Operating Agreement to which it is attached remains in effect, and shall inure to the benefit of and be binding upon the parties hereto, their successors, legal representatives and assigns.

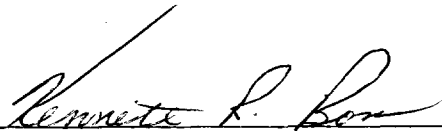
RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other Working Interest Owners of the Unit Operating Agreement, Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, the undersigned working interest owner hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original agreements.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, its successors and assigns.

EXECUTED this 11th day of January, 1985.

  
KENNETH R. BOSS

Address: East Star Route

Box 9-R

Lovington, New Mexico 88260


THE STATE OF New Mexico §

COUNTY OF Lea §

The foregoing instrument was acknowledged before me this 11th day of January, 19 85, by KENNETH R. BOSS.

My Commission Expires:

9/5/88

  
A Notary Public in the State of NM  
County of Lea.

Individual Royalty Joinder

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated \_\_\_\_\_, 19\_\_\_\_, in form approved on behalf of the Secretary of the Interior and the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts, and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of January, 1985.

  
CHRISTOPHER DUKINFELD JONES

Address: 3219 Overland Ave., #5204

Los Angeles, CA 90034

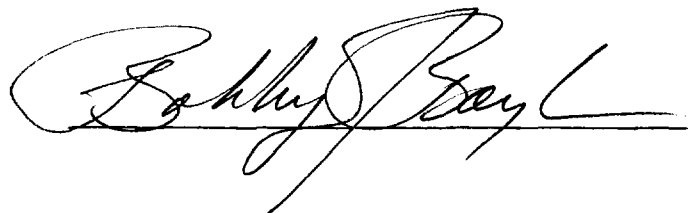
515 N. Ardmore, #6  
Los Angeles, Ca. 90004

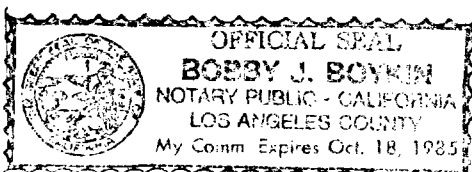
THE STATE OF CALIFORNIA S  
COUNTY OF LOS ANGELES S

The foregoing instrument was acknowledged before me this 21ST day of JANUARY, 19 85, by CHRISTOPHER DUKINFELD JONES

My Commission Expires:

OCTOBER 18, 1985





RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other Working Interest Owners of the Unit Operating Agreement, Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, the undersigned working interest owner hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original agreements.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, its successors and assigns.

EXECUTED this 19th day of November, 19 84.

TWO STATES OIL COMPANY

By

Title:

President

Address: Suite 1401

Mercantile Commerce Bldg.

Dallas, Texas 75201

**TWO STATES OIL COMPANY**  
**TRANSACTION JOINDER**  
**SUITE 950 - BOX 90**  
**DALLAS, TEXAS 75201**

THE STATE OF New Mexico §

COUNTY OF LEA §

The foregoing instrument was acknowledged before me this 19th day of November, 19 84, by R. E. Piggott, for/of TWO STATES OIL COMPANY, a Texas corporation, on behalf of said corporation.

My Commission Expires:

April 21, 1986

Brenda Arthur  
A Notary Public in the State of N.M.,  
County of Lea.

RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other Working Interest Owners of the Unit Operating Agreement, Eunice Monument South Unit Area, County of Lea, State of New Mexico, dated June 22, 1984, the undersigned working interest owner hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original agreements.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, its successors and assigns.

EXECUTED this 21st day of January, 1985.

ATTEST:

Linda Frick  
 Assistant Secretary  
1-21-85  
 Date

CITIES SERVICE OIL AND GAS CORPORATION

By L. H. Stayton  
 Title: Vice President  
 Interior Area  
 Address: P. O. Box 1919  
Midland, Texas 79702

THE STATE OF Colorado §  
 COUNTY OF Denver §

The foregoing instrument was acknowledged before me this 21st day of January, 1985, by L. H. STAYTON Vice President - Interior Area, for/of Cities Service Oil and Gas Corporation, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires Jan. 14, 1987

Lois M. Strabinger  
 A Notary Public in the State of Colorado,  
 County of Denver

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
ANALYSIS OF UNIT PARTICIPATION IN THE ACQUIRED WORKING INTEREST  
 DIVIDING UP EMSU (6873527) ACCORDING TO BALLOTS RECEIVED

7:46 MONDAY, FEBRUARY 11, 1985

W.I. OWNER	MY SHARE ONLY	MY SHARE PLUS	DO NOT WANT IN	ORIGINAL UNIT INTEREST	PORTION OF EMSU ACQ.	% GAINED CF EMSU DECLINED	NET ACQUIRED PARTICIPATION	% OF EMSU ACQUIRED	TOTAL UNIT INTEREST
AMERADA	X			1.302041	0.011374	0.001206	0.012580	1.4402	1.314621
AMOCO	X			8.303853	0.072536	0.007692	0.080228	9.1844	8.384081
APOLLO		X		0.108986	0.000000	0.000000	0.000000	0.0000	0.108986
ARCO	X			19.708096	0.172155	0.018256	0.190411	21.7979	19.898507
BOSS		X		0.217972	0.000000	0.000000	0.000000	0.0000	0.217972
CAITRON MI ACCOUNT		X		0.570567	0.000000	0.000000	0.000000	0.0000	0.570567
CAITRON, JS & TB		X		0.018148	0.000000	0.000000	0.000000	0.0000	0.018148
CAITRON, TB III TR		X		0.018148	0.000000	0.000000	0.000000	0.0000	0.018148
CHEVRON	X			6.894142	0.060222	0.006386	0.066608	7.6252	6.960750
CITIES	X			0.995453	0.008696	0.000922	0.009618	1.1011	1.005071
CONOCO	X			9.326385	0.081468	0.008639	0.090107	10.3153	9.416492
CRILE, HERMAN		X		0.039975	0.000000	0.000000	0.000000	0.0000	0.039975
EMSU GROUP				0.873527					0.000000
EXXON	X			4.861403	0.042466	0.004503	0.046969	5.3770	4.908372
FIELDS	X			0.058119	0.000508	0.000054	0.000562	0.0643	0.058681
GETTY		X		7.313370	0.000000	0.000000	0.000000	0.0000	7.313370
GULF	X			30.569811	0.267035	0.026317	0.293352	33.86114	30.865163
KOCH	X			0.328589	0.002853	0.000303	0.003156	0.3612	0.329745
ME-TEX	X			0.254073	0.000000	0.000000	0.000000	0.0000	0.254073
PERDEW	X			0.017189	0.000000	0.000000	0.000000	0.0000	0.017189
PFLUGER	X			0.058005	0.000000	0.000000	0.000000	0.0000	0.058005
SAS		X		0.108986	0.000952	0.000000	0.000952	0.1090	0.109938
SHELBY	X			0.058119	0.000508	0.000054	0.000562	0.0643	0.058681
SHELL	X			6.695711	0.058489	0.006202	0.064691	7.4058	6.760402
SUN	X			0.997213	0.008711	0.000924	0.009635	1.1030	1.006848
TURNER		X		0.087178	0.000000	0.000000	0.000000	0.0000	0.087178
TWO STATES	X			0.112017	0.000978	0.000104	0.001082	0.1238	0.113099
WISER OIL	X			0.104924	0.000917	0.000097	0.001014	0.1161	0.105538
				=====	=====	=====	=====	=====	=====
				100.000000	0.789868	0.083659	0.873527	100.0000	100.000000

#8397

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY	PERCENT YES	COMMITTED X TR. ROY
1	8.308758	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	2.077189 2.077190 2.077190 2.077189	UNITED STATES "C"	12.5000000 X	12.5000000	100.0000
2	0.521406	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	0.230351 0.230352 0.230352 0.230351	UNITED STATES "C"	12.5000000 X	12.5000000	100.0000
3	0.647555	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	0.161888 0.161889 0.161889 0.161889	UNITED STATES "D"	12.5000000 X	12.5000000	100.0000
4	0.070883	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	0.017721 0.017721 0.017721 0.017720	UNITED STATES "D"	12.5000000 X	12.5000000	100.0000
5	0.254760	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	0.063690 0.063690 0.063690 0.063690	UNITED STATES "D"	12.5000000 X	12.5000000	100.0000
6	0.323144	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	0.080786 0.080786 0.080786 0.080786	UNITED STATES "D"	12.5000000 X	12.5000000	100.0000
7	6.664506	CONOCO AMOCO ARCO CHEVRON	25.000000 25.000000 25.000000 25.000000	1.666127 1.666126 1.666126 1.666127	UNITED STATES "D"	12.5000000 X	12.5000000	100.0000
7	6.664506		100.000000	6.664506		12.5000000	12.5000000	100.0000

TRACT	PERCENT PARTICIPATION	OWNER	W.I. PERCENT	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT ROYALTY	YES	COMMITTED ROYALTY	X	TR. ROY COMMITTED
8	9.059453	CONOCO	25.000000	2.264863		UNITED STATES *D*	12.500000	X	12.500000	100.0000	
	.	AMOCO	25.000000	2.264863			.		.	.	
	.	ARCO	25.000000	2.264863			.		.	.	
	.	CHEVRON	25.000000	2.264864			.		.	.	
8	9.059453		100.000000	9.059453			12.500000		12.500000	100.0000	
9	1.326104	CONOCO	25.000000	0.331526		UNITED STATES *D*	12.500000	X	12.500000	100.0000	
	.	AMOCO	25.000000	0.331526			.		.	.	
	.	ARCO	25.000000	0.331526			.		.	.	
	.	CHEVRON	25.000000	0.331526			.		.	.	
9	1.326104		100.000000	1.326104			12.500000		12.500000	100.0000	
10	0.584461	AMOCO	100.000000	0.584461		UNITED STATES *C*	12.500000	X	12.500000	100.0000	
11	0.027077	AMOCO	100.000000	0.027077		UNITED STATES *C*	12.500000	X	12.500000	100.0000	
12	0.151224	EXXON	100.000000	0.151224*		UNITED STATES *C*	12.500000	X	12.500000	100.0000	
13	1.055350	GULF	100.000000	1.055350		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
14	2.739613	GULF	100.000000	2.739613		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
15	3.195507	GULF	100.000000	3.195507		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
16	0.682139	GULF	100.000000	0.682139		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
17	3.726787	GULF	100.000000	3.726787		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
18	1.459570	GULF	100.000000	1.459570		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
19	0.426101	GULF	100.000000	0.426101		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
20	0.796347	GULF	100.000000	0.796347		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
21	0.355963	GULF	100.000000	0.355963		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
22	2.683321	GULF	100.000000	2.683321		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
23	0.918559	GETTY	100.000000	0.918559		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
24	0.277424	GETTY	100.000000	0.277424		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
25	0.474353	CONOCO	100.000000	0.474353		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	
26	1.957890	CONOCO	100.000000	1.957890		STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000	



RAY M. VADEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

18:35 FRIDAY, FEBRUARY 8, 1985

GULF OIL E &amp; P

TRACT	PERCENT PARTICIPATION	U.I. OWNER	U.I. PERCENT PARTICIPATION	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT ROYALTY	YES	COMMITTED ROYALTY	% Th. COMMITTED
27	2.680609	ARCO	100.000000	2.680609		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
28	0.534498	ARCO	100.000000	0.534498		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
29	0.405359	GULF	100.000000	0.405359		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
30	1.328423	GETTY	100.000000	1.328423		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
31	0.137520	GETTY	100.000000	0.137520		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
32	0.427150	GETTY	100.000000	0.427150		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
33	0.169794	GETTY	100.000000	0.169794		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
34	3.559765	GULF	100.000000	3.559765		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
35	1.701394	GULF	100.000000	1.701394		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
36	0.361025	GULF	100.000000	0.361025		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
37	1.962315	EXXON	100.000000	1.962315		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
38	1.770012	GULF GETTY SUN	50.000000 25.000000 25.000000	0.885006 0.442503 0.442503		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
38	1.770012	SUN	100.000000	1.770012			12.5000000		12.5000000	100.0000
39	0.244360	CITIES	100.000000	0.244360		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
40	0.076549	GULF PFLUGER	66.660000 33.340000	0.051028 0.025521		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
40	0.076549		100.000000	0.076549			12.5000000		12.5000000	100.0000
41	0.751093	CITIES	100.000000	0.751093		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
42	0.064967	GULF PFLUGER	50.000000 50.000000	0.032483 0.032484		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
42	0.064967		100.000000	0.064967			12.5000000		12.5000000	100.0000
43	1.269324	ARCO GETTY	50.000000 50.000000	0.634662 0.634662		STATE OF NEW MEXICO	12.5000000 X		12.5000000	100.0000
43	1.269324		100.000000	1.269324			12.5000000		12.5000000	100.0000

RAY M. VADEEN

SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

18:35 FRIDAY, FEBRUARY 8, 1985

GULF OIL & P

TRACT PERCENT PARTICIPATION		W.I. OWNER		W.I. COMMITTED PERCENT PARTICIPATION		OWNER NUMBER		ROYALTY OWNER		PERCENT YES ROYALTY		COMMITTED ROYALTY		COMMITTED % TR. ROY	
44		0.126788		50.000000		0.063394		STATE OF NEW MEXICO		12.500000 X		12.5000000		100.0000	
		GOULD, GERALDINE		4.875500		0.006182									
		WALLACE, MAXINE		1.950000		0.002473									
		FREY, JANE		3.150000		0.003994									
		EDDY, JOHN		5.568000		0.007085									
		HOBBS, MARJORIE		6.000000		0.007607									
		CATRON, T.B. IV		2.500000		0.003170									
		CATRON, J.B.		9.333500		0.011834									
		BERGERE, SUE		5.500000		0.006973									
		CATRON, T.B. III		4.135000		0.005243									
		CATRON, JOHN S.		3.635000		0.004609									
		MOORE, JANE E.		0.416625		0.000528									
		WHEELER, EDITH		0.416625		0.000528									
		LANDEN, DIANE		0.416625		0.000528									
		MOORE, MICHAEL		0.416625		0.000528									
		ALLISON, ANN		0.416625		0.000528									
		MCMORTER, BRENT		0.416625		0.000528									
		MCMORTER, MARY		0.416625		0.000528									
		CORPEDGE, JAMES		0.208315		0.000264									
		CORPEDGE, DAVID		0.208310		0.000264									
44		0.126788		100.000000		0.126788				12.500000		12.5000000		100.0000	
45		0.477689		50.000000		0.238845		STATE OF NEW MEXICO		12.500000 X		12.5000000		100.0000	
		GOULD, GERALDINE		4.875500		0.023290									
		WALLACE, MAXINE		1.950000		0.009315									
		FREY, JANE		3.150000		0.015047									
		EDDY, JOHN		5.568000		0.026694									
		HOBBS, MARJORIE		6.000000		0.028661									
		CATRON, T.B. IV		2.500000		0.011942									
		CATRON, J.B.		9.333500		0.044585									
		BERGERE, SUE		5.500000		0.026273									
		CATRON, T.B. III		4.135000		0.019753									
		CATRON, JOHN S.		3.635000		0.017364									
		MOORE, JANE E.		0.416625		0.001990									
		WHEELER, EDITH		0.416625		0.001990									
		LANDEN, DIANE		0.416625		0.001990									
		MOORE, MICHAEL		0.416625		0.001990									
		ALLISON, ANN		0.416625		0.001990									
		MCMORTER, BRENT		0.416625		0.001990									
		MCMORTER, MARY		0.416625		0.001990									
		CORPEDGE, JAMES		0.208315		0.000995									
		CORPEDGE, DAVID		0.208310		0.000995									
45		0.477689		100.000000		0.477689				12.500000		12.5000000		100.0000	

RAY M. VADEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

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GULF OIL &amp; P

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TRACT	PERCENT PARTICIPATION	OWNER	W.I. PERCENT	COMMITTED PARTICIPATION	OWNER	ROYALTY	PERCENT YES	COMMITTED	TR. ROY
						STATE OF NEW MEXICO	ROYALTY	ROYALTY	COMMITTED
46	0.270790	ARCO	50.000000	0.135395			12.5000000 X	12.5000000	100.0000
		GOULD, GERALDINE	4.87500	0.013203					
		WALLACE, MAXINE	1.950000	0.005261					
		FREY, JANE	3.150000	0.008530					
		EDDY, JOHN	5.588000	0.015132					
		MOORE, MARJORIE	6.000000	0.016248					
		CATRON, T.B. IV	2.500000	0.006770					
		CATRON, J.B.	9.333500	0.025274					
		BERGERE, SUE	5.500000	0.014893					
		CATRON, T.B. III	4.135000	0.011197					
		CATRON, JOHN S.	3.635000	0.009843					
		MOORE, JANE E.	0.416625	0.001128					
		WHEELER, EDITH	0.416625	0.001128					
		LANDEN, DIANE	0.416625	0.001128					
		MOORE, MICHAEL	0.416625	0.001128					
		ALLISON, ANN	0.416625	0.001128					
		MCHORTER, BRENT	0.416625	0.001128					
		COPPEDGE, MARY	0.416625	0.001128					
		COPPEDGE, JAMES	0.208315	0.000564					
		COPPEDGE, DAVID	0.208310	0.000564					
46	0.270790		100.000000	0.270790			12.5000000	12.5000000	100.0000
47	0.265867	ARCO	50.000000	0.132933		STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000
		GOULD, GERALDINE	4.87500	0.012961					
		WALLACE, MAXINE	1.950000	0.005185					
		FREY, JANE	3.150000	0.008375					
		EDDY, JOHN	5.588000	0.014856					
		MOORE, MARJORIE	6.000000	0.015951					
		CATRON, T.B. IV	2.500000	0.006647					
		CATRON, J.B.	9.333500	0.024815					
		BERGERE, SUE	5.500000	0.014623					
		CATRON, T.B. III	4.135000	0.010993					
		CATRON, JOHN S.	3.635000	0.009664					
		MOORE, JANE E.	0.416625	0.001108					
		WHEELER, EDITH	0.416625	0.001108					
		LANDEN, DIANE	0.416625	0.001108					
		MOORE, MICHAEL	0.416625	0.001108					
		ALLISON, ANN	0.416625	0.001108					
		MCHORTER, BRENT	0.416625	0.001108					
		MCHORTER, MARY	0.416625	0.001108					
		COPPEDGE, JAMES	0.208315	0.000554					
		COPPEDGE, DAVID	0.208310	0.000554					
47	0.265867		100.000000	0.265867			12.5000000	12.5000000	100.0000

RAY M. VADEEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
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GULF OIL E & P

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TRACT	PERCENT PARTICIPATION	U.I. OWNER	U.I. PERCENT PARTICIPATION	COMMITTED OWNER	ROYALTY	PERCENT ROYALTY	YES	COMMITTED	% TR. ROY COMMITTED
48	0.290369	ME-TEX CATRON, JS & TB	87.500000	0.254073	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
		CATRON, TB	6.250000	0.018148					
			6.250000	0.018148					
48	0.290369		100.000000	0.290369		12.500000		12.500000	100.0000
49	0.751002	ARCO	100.000000	0.751002	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
50	0.060367	ARCO	100.000000	0.050367	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
51	2.723870	GULF	100.000000	2.723870	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
52	0.237670	SHELL	100.000000	0.237670	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
53	5.112412	SHELL	100.000000	5.112412	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
54	0.485839	SHELL	100.000000	0.485839	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
55	0.221097	GULF	100.000000	0.221097	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
56	0.186322	GETTY	100.000000	0.186322	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
57	0.520475	GULF	100.000000	0.520475	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
58	0.031885	AMOCO	100.000000	0.031885	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
59	0.882435	ARCO	100.000000	0.882435	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
60	0.559636	GETTY	100.000000	0.559636	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
61	0.391924	AMOCO	100.000000	0.391924	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
62	0.158116	ARCO	100.000000	0.158116	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
63	0.232476	TURNER	37.500000	0.087178	STATE OF NEW MEXICO	12.500000	X	12.500000	100.0000
		FIELDS*	25.000000	0.058119					
		SHELBY*	25.000000	0.058119					
		AMERADA	0.180025	0.000418					
		AMOCO	1.148050	0.002669					
		ARCO	2.724737	0.006334					
		CHEVRON	0.953150	0.002215					
		CITIES	0.137637	0.000320					
		CONOCO	1.289412	0.002998					
		EXXON	0.672125	0.001563					
		FIELDS	0.000019	0.000019					
		GULF	4.226425	0.009825					
		KOCH	0.045150	0.000105					
		S&S	0.013625	0.000032					
		SHELBY	0.008038	0.000019					

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EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
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TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT ROYALTY	YES	COMMITTED ROYALTY	% TR. ROY COMMITTED
63	0.925725	SHELL	0.002152	0.000321						
	0.137875	SUN	0.000321	0.000036						
	0.015475	TWO STATES	0.000036	0.000034						
	0.014513	WISER OIL	0.000034							
64	0.232476		0.232476							
65	0.067881	ARCO	0.009005	0.009005		STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
66	0.009005	GETTY	0.009005			STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
67	0.512798	ARCO	0.512798			STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
	0.635532	AMERADA	0.009153	0.058370		STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
	0.184400	AMOCO	0.138533	0.048460						
	21.797900	ARCO	0.06998	0.06557						
	7.625200	CHEVRON	0.034173	0.000409						
	1.101100	CITIES	0.000409	0.0214881						
	10.315300	CONOCO	0.002295	0.000693						
	5.337700	EXXON	0.000409	0.000409						
	0.064300	FILEDS	0.000409	0.000409						
	33.811400	GULF	0.000409	0.000409						
	0.361200	KOCH	0.000409	0.000409						
	0.109000	S&S	0.000409	0.000409						
	0.064300	SHELL	0.000409	0.000409						
	7.405800	SUN	0.000409	0.000409						
	1.103000	TWO STATES	0.000409	0.000409						
	0.123600	WISER OIL	0.000409	0.000409						
	0.116100		0.000409	0.000409						
68	0.635532		0.635532							
69	0.220246	ARCO	0.220246			STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
	0.343778	KOCH	0.326569	0.017189		STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
	5.000000	PERREW	0.017189							
70	0.343778		0.343778							
	0.287522	SHELL	0.287522			STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
71	0.825987	GULF	0.825987			STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
72	0.073299	TWO STATES	0.059555	0.013744		STATE OF NEW MEXICO	12.5000000 X	12.5000000	100.0000	
	18.750000	CRILE, HERMAN	0.013744							
72	0.073299		0.073299							
	100.000000		100.000000							

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EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO 18:35 FRIDAY, FEBRUARY 8, 1985

SUMMARY &amp; ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

GULF OIL E &amp; P

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT ROYALTY	YES	COMMITTED ROYALTY	% TR. ROY COMMITTED
73	0.081241	GETTY	100.000000	0.081241		STATE OF NEW MEXICO	12.500000 X		12.5000000	100.0000
74	0.029017	AMERADA	1.440200	0.000418		STATE OF NEW MEXICO	12.500000 X		12.5000000	100.0000
		AMOCO	9.184400	0.002664						
		ARCO	21.797900	0.006324						
		CHEVRON	7.625200	0.002213						
		CITIES	1.101100	0.000319						
		CONOCO	10.315300	0.002994						
		EXXON	5.377000	0.001560						
		FIELDS	0.064300	0.000019						
		GULF	33.811400	0.009811						
		KOCH	0.361200	0.000105						
		S&S	0.109000	0.000032						
		SHELBY	0.064300	0.000019						
		SHELL	7.405800	0.002149						
		SUN	1.103000	0.000320						
		TWO STATES	0.123800	0.000036						
		WISER OIL	0.116100	0.000034						
74	0.029017		100.000000	0.029017			12.500000		12.5000000	100.0000
75	0.693134	ARCO	100.000000	0.693134		STATE OF NEW MEXICO	12.500000 X		12.5000000	100.0000
76	0.233315	ARCO	37.500000	0.087493		STATE OF NEW MEXICO	12.500000 X		12.5000000	100.0000
		AMOCO	62.500000	0.145822						
76	0.233315		100.000000	0.233315			12.500000		12.5000000	100.0000
77	0.148770	AMERADA	100.000000	0.148770		STATE OF NEW MEXICO	12.500000 X		12.5000000	100.0000
78	0.055491	ARCO	100.000000	0.055491		STATE OF NEW MEXICO	12.500000 X		12.5000000	100.0000
79A	0.127221	GULF	100.000000	0.127221	(217) TEXARCO		0.1953000 X		0.1953000	1.5624
					(230) MAHL		0.0781000 X		0.0781000	0.6248
					(166) PETTWAY		0.1953000 X		0.1953000	1.5624
					(63) EUBANK		0.1953000 X		0.1953000	1.5624
					(92) HEIDMAN		0.1954000 X		0.1954000	1.5632
					(105) HUDSPETH		0.1953000 X		0.1953000	1.5624
					(227) UNION TEXAS PETROLEUM		1.1719000 X		1.1719000	9.3752
					(197) J. SETH		0.3906000 X		0.3906000	3.1248
					(198) O. SETH		0.3906000 X		0.3906000	3.1248
					(124) B. I. KING, TRUSTEE		0.5859000 X		0.5859000	4.6872
					(242) W. W. WHITE		7.8125000 X		7.8125000	62.5000
					(157) PAYNE TRUST		0.0484200 X		0.0484200	0.3874
					(157) JULIA PAYNE		0.0296800 X		0.0296800	0.2374
					(176) PICKENS		0.7813000 X		0.7813000	6.2504
					(W1) SUN		0.2344000 X		0.2344000	1.8752
79A	0.127221		100.000000	0.127221			12.500000		12.5000000	100.0000

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EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
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TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	% TR. ROY COMMITTED
798	0.587097	GULF	100.000000	0.587097	(166) PETTAY (63) EUBANK (92) HEIDMANN (105) HUDSPETH (197) J. SETH (198) O. SETH (243) WHITE/MERCHANTS (242) W. W. WHITE (67) L. WHITE TR. (228) VIRGIL WHITE EST.	0.1953000 X 0.1953000 X 0.1953000 X 0.1953000 X 0.3906000 X 0.3906000 X 3.6458600 X 3.6458600 X 1.8229000 X 1.8230000 X	0.1953000 0.1953000 0.1953000 0.1953000 0.3906000 0.3906000 3.6458600 3.6458600 1.8229000 1.8230000	1.5624 1.5624 1.5624 1.5624 3.1248 3.1248 29.1667 29.1667 14.5832 14.5840
798	0.587097		100.000000	0.587097		12.5000000	12.5000000	100.0000
80A	0.226552	SUN	100.000000	0.226552	(111) ATLANTIC RICHFIELD (296) KASTMAN (271) S. E. CONE, JR. (346) SPARKS (347) MARTIN (348) DEAN (349) H. AKENS (350) R. AKENS (226) TORTUGA (125) LARSON (297) KECK (188) ROYALL (188) ROYALL (188) ROYALL (7) L. ARCHER (24) D. BOWER, AGENT (256) ANTRY (160) PENN BROTHERS, INC. (24) J. BOWER, JR. (6) E. L. ARCHER, TRUSTEE (254) J. R. NISLAR TR. (255) O. L. NISLAR, JR. TR. (312) O. L. NISLAR (130) HART/F. O. LONG EST. (151) MOBIL (75) GIBSON (117) E. JONES, JR. (52) C. W. GRIMES TR. (168) HART/MEGAN (151) MOBIL (164) PENSON (165) PETRUST (341) LON MORRIS COLLEGE (341) METHODIST HOME (341) ST. PAUL INDUST. SCHOOL (341) SOUTHERN METHODIST UNIV	2.0834000 X 0.2539000 X 0.2539000 X 0.2708400 X 0.2708400 X 0.2708400 X 0.2708400 X 0.2708400 X 0.0131000 X 0.0005000 X 0.2539000 X 0.0017340 X 0.0017330 X 0.0017330 X 0.0017330 X 0.0209000 X 0.0462000 X 0.1562000 X 0.3565000 X 0.1358000 X 0.3958000 X 0.0488250 X 0.0488250 X 0.0976500 X 0.0010000 X 1.5625000 X 0.1172000 X 0.0154000 X 0.3028000 X 0.0005000 X 3.1250000 X 1.0697000 X 0.1667000 X 0.0366250 X 0.0366250 X 0.0366250 X 0.0366250 X	2.0834000 0.2539000 0.2539000 0.2708400 0.2708400 0.2708400 0.2708400 0.2708400 0.0131000 0.0005000 0.2539000 0.0017340 0.0017330 0.0017330 0.0017330 0.0209000 0.0462000 0.1562000 0.3565000 0.1358000 0.3958000 0.0488250 0.0488250 0.0976500 0.0010000 1.5625000 0.1172000 0.0154000 0.3028000 0.0005000 3.1250000 1.0697000 0.1667000 0.0366250 0.0366250 0.0366250 0.0366250	16.6672 2.0312 2.0312 2.1667 2.1667 2.1667 2.1667 2.1667 0.1048 0.0040 2.0312 0.0139 0.0139 0.0139 0.1672 0.3696 1.2496 2.8520 1.0864 3.1664 0.3906 0.3906 0.7812 0.0080 12.5000 0.9376 0.1232 2.4224 0.0040 25.0000 8.5576 1.3336 0.2930 0.2930 0.2930 0.2930

RAY M. VADEN

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	X TR. ROY COMMITTED
80A	.	.	.	(181)	RANSOM	0.2083000 X	0.2083000	1.6664
.	.	.	.	(190)	FRANCES ROYALL	0.0031000 X	0.0031000	0.0248
.	.	.	.	(188)	ROYALL	0.0007000 X	0.0007000	0.0056
.	.	.	.	(188)	ROYALL	0.0007000 X	0.0007000	0.0056
.	.	.	.	(188)	ROYALL	0.0007000 X	0.0007000	0.0056
.	.	.	.	(91)	HART, JACK	0.0018000 X	0.0018000	0.0144
.	.	.	.	(210)	STIEREN EST.	0.0152000 X	0.0152000	0.1216
.	.	.	.	(239)	W. E. F.	0.0416000 X	0.0416000	0.3328
.	.	.	.	(231)	WALKER	0.0005000 X	0.0005000	0.0040
.	.	.	.	(345)	J. H. WILLIAMS EST.	0.1953000 X	0.1953000	1.5624
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80A	0.226552		100.000000			12.5000000	12.5000000	100.0000
80B	0.272301	SUN	100.000000	(111)	ATLANTIC RICHFIELD	2.0834000 X	2.0834000	16.6672
.	.	.	.	(1296)	KASTMAN	0.2539000 X	0.2539000	2.0312
.	.	.	.	(271)	S. E. CONE, JR.	0.2539000 X	0.2539000	2.0312
.	.	.	.	(251)	ABRAMSON EST.	0.1339000 X	0.1339000	1.0712
.	.	.	.	(125)	TORTUGA	0.0131000 X	0.0131000	0.1048
.	.	.	.	(125)	LARSON	0.0005000 X	0.0005000	0.0040
.	.	.	.	(297)	KECK	0.2539000 X	0.2539000	2.0312
.	.	.	.	(188)	ROYALL	0.0017340 X	0.0017340	0.0139
.	.	.	.	(188)	ROYALL	0.0017330 X	0.0017330	0.0139
.	.	.	.	(188)	ROYALL	0.0017330 X	0.0017330	0.0135
.	.	.	.	(7)	L. ARCHER	0.0209000 X	0.0209000	0.1672
.	.	.	.	(23)	D. BOWER, AGENT	0.0462000 X	0.0462000	0.3696
.	.	.	.	(256)	ANTRY	0.1562000 X	0.1562000	1.2496
.	.	.	.	(160)	PENN BROTHERS, INC.	0.3565000 X	0.3565000	2.8520
.	.	.	.	(24)	J. BOWER, JR.	0.1358000 X	0.1358000	1.0864
.	.	.	.	(304)	MAHONEY	0.0251000 X	0.0251000	0.2008
.	.	.	.	(293)	HOLCH	0.1674000 X	0.1674000	1.3392
.	.	.	.	(329)	SANFORD	0.1674000 X	0.1674000	1.3392
.	.	.	.	(274)	CORRETT	0.0568000 X	0.0568000	0.4544
.	.	.	.	(285)	FROTHINGHAM	0.3348000 X	0.3348000	2.6784
.	.	.	.	(288)	GREENWOOD	0.1675000 X	0.1675000	1.3400
.	.	.	.	(309)	MULDAVIN/---	0.1339000 X	0.1339000	1.0712
.	.	.	.	(330)	SARNOFF	0.1674000 X	0.1674000	1.3392
.	.	.	.	(6)	E. L. ARCHER, TRUSTEE	0.3958000 X	0.3958000	3.1664
.	.	.	.	(254)	J. R. NISLAR, JR.	0.0488250 X	0.0488250	0.3906
.	.	.	.	(255)	O. L. NISLAR, JR. TR.	0.0488250 X	0.0488250	0.3906
.	.	.	.	(312)	ORA LEE NISLAR	0.0976500 X	0.0976500	0.7812
.	.	.	.	(130)	HART/F. O. LONG EST.	0.0010000 X	0.0010000	0.0080
.	.	.	.	(151)	MOBIL	1.5625000 X	1.5625000	12.5000
.	.	.	.	(75)	GIBSON	0.1172000 X	0.1172000	0.9376
.	.	.	.	(117)	E. JONES, JR.	0.0154000 X	0.0154000	0.1232
.	.	.	.	(52)	C. W. GRIMES, JR.	0.3028000 X	0.3028000	2.4224
.	.	.	.	(168)	HART/MEGAN	0.0005000 X	0.0005000	0.0040
.	.	.	.	(151)	MOBIL	3.1250000 X	3.1250000	25.0000
.	.	.	.	(164)	PENSON	1.0697000 X	1.0697000	8.5576
.	.	.	.	(165)	PETRUST	0.1667000 X	0.1667000	1.3336



RAY M. VADEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 198518:35 FRIDAY, FEBRUARY 8, 1985 11  
GULF OIL E & P

TRACT	PERCENT PARTICIPATION	U.I. OWNER	U.I. PERCENT PARTICIPATION	COMMITTED OWNER	ROYALTY	PERCENT YES ROYALTY	COMMITTED & TR. ROY
808							
				(341) PEWITT EST.	0.1465000 X	0.1465000	1.1720
				(181) RANSON	0.2083000 X	0.2083000	1.6664
				(190) FRANCES ROYALL	0.0031000 X	0.0031000	0.0248
				(188) ROYALL	0.0007000 X	0.0007000	0.0056
				(188) ROYALL	0.0007000 X	0.0007000	0.0056
				(188) ROYALL	0.0007000 X	0.0007000	0.0056
				(91) HART, JACK	0.0018000 X	0.0018000	0.0144
				(210) STIEREN EST.	0.0152000 X	0.0152000	0.1216
				(239) W. E. F.	0.0416000 X	0.0416000	0.3328
				(231) WALKER	0.0005000 X	0.0005000	0.0040
				(345) J. H. WILLIAMS EST.	0.1953000 X	0.1953000	1.5624
808	0.272301		100.000000		12.5000000	12.5000000	100.0000
81	0.435944	BOSS APOLLO S&S	50.000000	(111) SUN	1.1718700 X	1.1718700	9.3750
			25.000000	(251) ABRANSON EST.	0.4687500 X	0.4687500	3.7500
			25.000000	(273) CORBETT	0.0293000 X	0.0293000	0.2344
				(256) ANTRY	0.0781200 X	0.0781200	0.6250
				(23) D. BOWER, IND. & AGENT	0.0231200 X	0.0231200	0.1850
				(11) GETTY	1.1718700 X	1.1718700	9.3750
				(226) TORTUGA	0.0016500 X	0.0016500	0.0130
				(226) TORTUGA	0.0032700 X	0.0032700	0.0262
				(226) TORTUGA	0.0016400 X	0.0016400	0.0131
				(341) PEWITT EST.	0.1464800 X	0.1464800	1.1718
				(160) PENN BROTHERS, INC.	0.1782500 X	0.1782500	1.4260
				(304) MAHONEY/HYLAND EST.	0.0878900 X	0.0878900	0.7031
				(24) J. BOWER, JR.	0.0678600 X	0.0678600	0.5425
				(296) KASTMAN	0.2539000 X	0.2539000	2.0312
				(165) PETRUST	0.0833500 X	0.0833500	0.6666
				(318) PETROLEUM LANDOWNERS	0.7031200 X	0.7031200	5.6250
				(181) RANSON	0.1041700 X	0.1041700	0.8334
				(239) W. E. F.	0.0208300 X	0.0208300	0.1666
				(6) E. L. ARCHER, TRUSTEE	0.1979200 X	0.1979200	1.5834
				(274) CORBETT	0.0911500 X	0.0911500	0.7292
				(75) GIBSON	0.1171900 X	0.1171900	0.9375
				(117) E. JONES, JR.	0.0038600 X	0.0038600	0.0308
				(164) E. JONES, JR.	0.0038600 X	0.0038600	0.0305
				(164) PENSON	0.5348600 X	0.5348600	4.2789
				(188) ROYALL	0.0003490 X	0.0003490	0.0028
				(7) L. ARCHER	0.0104500 X	0.0104500	0.0834
				(111) ATLANTIC RICHFIELD	0.8333400 X	0.8333400	6.6667
				(111) ATLANTIC RICHFIELD	0.2083300 X	0.2083300	1.6666
				(285) FROTHINGHAM	0.2539100 X	0.2539100	2.0313
				(288) GREENWOOD	1.1718800 X	1.1718800	9.3750
				(293) HOLCH	0.5859400 X	0.5859400	4.6875
				(297) KECK	0.5859350 X	0.5859350	4.6875
				(125) LARSON	0.2539100 X	0.2539100	2.0313
				(52) C. W. GRIMES TR.	0.0002600 X	0.0002600	0.0021
					0.2246100 X	0.2246100	1.7969

RAY M. VADEEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

14:35 FRIDAY, FEBRUARY 8, 1985

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GULF OIL &amp; P

TRACT	PERCENT PARTICIPATION	U.I. OWNER	U.I. PERCENT PARTICIPATION	COMMITTED PARTICIPATION	OWNER	ROYALTY	PERCENT YES ROYALTY	COMMITTED X TR. ROY
81								
					(151) MOBIL	0.7812500 X	0.7812500	6.2500
					(309) MULDAVIN	0.4687500 X	0.4687500	3.7500
					(312) ORA LEE NISLAR	0.0976600 X	0.0976600	0.7813
					(255) O. L. NISLAR, JR. TR.	0.0488300 X	0.0488300	0.3906
					(254) J. R. NISLAR TR.	0.0448300 X	0.0448300	0.3906
					(190) FRANCES ROYALL	0.0005200 X	0.0005200	0.0042
					(190) FRANCES ROYALL	0.0010450 X	0.0010450	0.0084
					(91) HART, JACK	0.0014000 X	0.0014000	0.0112
					(91) HART, JACK	0.0002600 X	0.0002600	0.0021
					(188) ROYALL	0.0026100 X	0.0026100	0.0209
					(188) ROYALL	0.0003480 X	0.0003480	0.0028
					(188) ROYALL	0.0003480 X	0.0003480	0.0028
					(329) SANFORD	0.0003480 X	0.0003480	0.0028
					(330) SARNOFF	0.5859350 X	0.5859350	4.6875
					(210) STEREN EST.	0.0075900 X	0.0075900	0.0607
					(231) WALKER	0.0002600 X	0.0002600	0.0021
					(385) J. H. WILLIAMS EST.	0.1953100 X	0.1953100	1.5625
81	0.435944		100.000000	0.435944			12.5000000	100.0000
82	0.500113	ARCO GETTY	50.000000 50.000000	0.250057 0.250056	(W1) AMOCO (5) ARCHBISHOPRIC (W1) ATLANTIC RICHFIELD (26) BRADLEY RESOURCES (29) R. BRIN, JR. (50) CRUMP FUND ACT. #2312 (49) CRUMP TRUST #1069 (79) GOLDBERG (80) GOTTESMAN (85) DANIEL GUTMAN, TRUSTEE (103) A. F. HOUSTON (110) M. J. HYMAN (109) JACK HYMAN EST. (124) B. I. KING, TRUSTEE (206) SOCLOLOW TRUST (183) READ EST. (217) TEXARO (238) WATSON, AGENT	1.1718000 X 2.2969000 X 3.5157000 X 0.3907000 X 0.0325000 X 0.3906000 X 0.3906000 X 0.0326000 X 0.0651000 X 0.0651000 X 3.1250000 X 0.0326000 X 0.0325000 X 0.0488000 X 0.0651000 X 0.3507000 X 0.0162000 X 0.4375000 X	1.1718000 2.2969000 3.5157000 0.3907000 0.0325000 0.3906000 0.3906000 0.0326000 0.0651000 0.0651000 3.1250000 0.0326000 0.0325000 0.0488000 0.0651000 0.3507000 0.0162000 0.4375000	9.3744 18.3752 28.1256 3.1256 0.2600 3.1248 3.1248 0.2608 0.5208 0.5208 25.0000 0.2608 0.2600 0.3904 0.5208 3.1256 0.1296 3.5000
82	0.500113		100.000000	0.500113			12.5000000	100.0000

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	TR. ROY COMMITTED
83	0.192757	ARCO	100.000000	0.192757	(W1)	ATLANTIC RICHFIELD	3.1250000 X	3.1250000	25.0000
					(W1)	ATLANTIC RICHFIELD	0.3906200 X	0.3906200	3.1250
					(26)	BRADLEY RESOURCES	0.3906200 X	0.3906200	3.1250
					(29)	R. BRIN, JR.	0.0325500 X	0.0325500	0.2605
					(49)	CRUMP TRUST #1069	0.3906200 X	0.3906200	3.1250
					(50)	CRUMP FUND ACT.#2312	0.3906200 X	0.3906200	3.1250
					(79)	GOLDBERG	0.0325500 X	0.0325500	0.2605
					(80)	GOTTESMAN	0.0651000 X	0.0651000	0.5208
					(85)	DANIEL GUTMAN, TRUSTEE	0.0651000 X	0.0651000	0.5208
					(103)	A. F. HOUSTON	1.5625000 X	1.5625000	12.5000
					(104)	H. L. HOUSTON EST.	1.5625000 X	1.5625000	12.5000
					(110)	M. J. HYMAN	0.0325500 X	0.0325500	0.2604
					(109)	JACK HYMAN EST.	0.0325500 X	0.0325500	0.2604
					(124)	B. I. KING, TRUSTEE	0.0488300 X	0.0488300	0.3906
					(149)	MIDWEST OIL/AMOCO	1.1718800 X	1.1718800	9.3750
					(183)	READ EST.	0.3906200 X	0.3906200	3.1250
					(5)	ARCHBISHOPRIC	2.2968800 X	2.2968800	18.3750
					(206)	SOCOLOW TRUST	0.0651000 X	0.0651000	0.5208
					(217)	TEXARO	0.0162800 X	0.0162800	0.1302
					(238)	WATSON, AGENT	0.4375000 X	0.4375000	3.5000
83	0.192757		100.000000	0.192757			12.5000000	12.5000000	100.0000
84	1.153271	AMERADA	100.000000	1.153271	(W1)	AMOCO	1.1718800 X	1.1718800	9.3750
					(W1)	ATLANTIC RICHFIELD	3.5156300 X	3.5156300	28.1250
					(5)	ARCHBISHOPRIC	2.2968700 X	2.2968700	18.3750
					(26)	BRADLEY RESOURCES	0.3906300 X	0.3906300	3.1250
					(351)	JENSON WESTERN	0.3906300 X	0.3906300	3.1250
					(29)	R. BRIN, JR.	0.0325500 X	0.0325500	0.2604
					(49)	CRUMP TRUST #1069	0.3906300 X	0.3906300	3.1250
					(50)	CRUMP FUND ACT.#2312	0.3906200 X	0.3906200	3.1250
					(79)	GOLDBERG	0.0325500 X	0.0325500	0.2604
					(80)	GOTTESMAN	0.0651000 X	0.0651000	0.5208
					(85)	DANIEL GUTMAN, TRUSTEE	0.0651000 X	0.0651000	0.5208
					(103)	A. F. HOUSTON	1.5625000 X	1.5625000	12.5000
					(104)	H. L. HOUSTON EST.	1.5625000 X	1.5625000	12.5000
					(110)	M. J. HYMAN	0.0325500 X	0.0325500	0.2604
					(109)	JACK HYMAN EST.	0.0325500 X	0.0325500	0.2604
					(124)	B. I. KING, TRUSTEE	0.0488300 X	0.0488300	0.3906
					(206)	SOCOLOW TRUST	0.0651000 X	0.0651000	0.5208
					(217)	TEXARO	0.0162700 X	0.0162700	0.1302
					(238)	WATSON, AGENT	0.4375100 X	0.4375100	3.5001
84	1.153271		100.000000	1.153271			12.5000000	12.5000000	100.0000

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER	ROYALTY	PERCENT YES	COMMITTED	% TR. ROY
85	0.185457	GULF	100.000000	0.185457	(100) HOME STAKE ROYALTY	0.0206200 X	0.0206200	0.1650
					(229) R. H. VENABLE EST.	0.1953000 X	0.1953000	1.5624
					(111) ATLANTIC RICHFIELD	4.2318000 X	4.2318000	33.8544
					(99) HOME STAKE OIL	0.0206200 X	0.0206200	0.1650
					(217) TEXARO	0.0860000 X	0.0860000	0.6880
					(103) ASHLAND	0.7813000 X	0.7813000	6.2504
					(6) E. L. ARCHER, TRUSTEE	0.3711000 X	0.3711000	2.9688
					(29) R. BRIN, JR.	0.0326000 X	0.0326000	0.2608
					(31) REGINALD CAMPBELL	0.1116000 X	0.1116000	0.8928
					(31) HOLLISS CAMPBELL BECK	0.1116000 X	0.1116000	0.8928
					(31) REBA CAMPBELL GRIFFIN	0.1116000 X	0.1116000	0.8928
					(31) ELOISE LONG	0.0558000 X	0.0558000	0.4464
					(31) JERRY WAYNE BELL	0.0558000 X	0.0558000	0.4464
					(79) GOLDBERG	0.0326000 X	0.0326000	0.2608
					(101) C. HOOPER	0.2232000 X	0.2232000	1.7856
					(103) A. F. HOUSTON	0.8929000 X	0.8929000	7.1432
					(167) PEVEHOUSE	0.1116000 X	0.1116000	0.8928
					(181) RANSON	0.3906000 X	0.3906000	3.1248
					(183) READ EST.	0.1116000 X	0.1116000	0.8928
					(216) TEKELL	0.1116000 X	0.1116000	0.8928
					(111) WISER OIL	0.3906000 X	0.3906000	3.1248
					(75) GIBSON	0.4464000 X	0.4464000	3.5712
					(234) WARNER	0.1172000 X	0.1172000	0.9376
					(110) M. J. HYMAN	0.0325000 X	0.0325000	0.2600
					(109) JACK HYMAN EST.	0.0326000 X	0.0326000	0.2608
					(19) C. BOWE EST.	0.0065000 X	0.0065000	0.0520
					(20) V. BOWE	0.0065000 X	0.0065000	0.0520
					(70) FLUOR	0.7813000 X	0.7813000	6.2504
					(85) DANIEL GUTMAN, TRUSTEE	0.0651000 X	0.0651000	0.5208
					(124) B. I. KING, TRUSTEE	0.2581000 X	0.2581000	2.0648
					(80) GOTTESMAN	0.0651000 X	0.0651000	0.5208
					(102) G. HOOPER	0.2232000 X	0.2232000	1.7856
					(30) O. CAMPBELL	0.4464000 X	0.4464000	3.5712
					(206) SOCOWLOW TRUST	0.0651000 X	0.0651000	0.5208
					(7) L. ARCHER	0.0195000 X	0.0195000	0.1560
					(249) WILSON	0.0217000 X	0.0217000	0.1736
					(122) KELLOUGH	0.0651000 X	0.0651000	0.5208
					(195) SEAL	0.0007200 X	0.0007200	0.0058
					(129) LONE STAR	0.8371000 X	0.8371000	6.6968
					(176) PICKENS	0.2790000 X	0.2790000	2.2320
					(200) SIMPSON	0.0007200 X	0.0007200	0.0058
					(59) E. EDWARDS	0.0007200 X	0.0007200	0.0058
85	0.185457		100.000000	0.185457		12.5000000	12.5000000	100.0000

RAY M. VADEEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

18:35 FRIDAY, FEBRUARY 8, 1985

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TRACT PERCENT  
PARTICIPATION OWNERH.I. COMMITTED  
PERCENT PARTICIPATION OWNER ROYALTYPERCENT YES COMMITTED X TR. ROY  
ROYALTY ROYALTY COMMITTED

86 0.649685 GULF

100.000000

0.649685

(206) SOCLOLO TRUST

0.0651000 X 0.0651000 0.5208

(7) L. ARCHER

0.0195000 X 0.0195000 0.1560

(249) WILSON

0.0217000 X 0.0217000 0.1736

(122) KELLUGH

0.0651000 X 0.0651000 0.5208

(195) SEAL

0.0007200 X 0.0007200 0.0058

(129) LONE STAR

0.8571000 X 0.8571000 6.6968

(176) PICKENS

0.2790000 X 0.2790000 2.2320

(200) SIMPSON

0.0007200 X 0.0007200 0.0058

(59) E. EDWARDS

0.0325000 X 0.0325000 0.2608

(110) M. J. HYMAN

0.0326000 X 0.0326000 0.2608

(109) JACK HYMAN EST.

0.0065000 X 0.0065000 0.5520

(19) C. BOWE EST.

0.0065000 X 0.0065000 0.5520

(20) V. BOWE

0.7813000 X 0.7813000 6.2504

(70) FLUOR

0.0651000 X 0.0651000 0.5208

(85) DANIEL GUTMAN, TRUSTEE

0.2581000 X 0.2581000 2.0648

(124) B. I. KING, TRUSTEE

0.0651000 X 0.0651000 0.5208

(80) GOTTESMAN

0.2232000 X 0.2232000 1.7856

(102) G. HOOPER

0.4464000 X 0.4464000 3.5712

(30) D. CAMPBELL

0.0326000 X 0.0326000 0.2608

(29) R. BRIN, JR.

0.1116000 X 0.1116000 0.8928

(31) REGINALD CAMPBELL

0.1116000 X 0.1116000 0.8928

(31) HOLLISS CAMPBELL BECK

0.1116000 X 0.1116000 0.8928

(31) REBA CAMPBELL GRIFFIN

0.0558000 X 0.0558000 0.4464

(31) ELOISE LONG

0.0558000 X 0.0558000 0.4464

(31) JERRY WAYNE BELL

0.0326000 X 0.0326000 0.2608

(79) GOLDBERG

0.2232000 X 0.2232000 1.7856

(101) C. HOOPER

0.8929000 X 0.8929000 7.1432

(103) A. F. HOUSTON

0.1116000 X 0.1116000 0.8928

(167) PEVEHOUSE

0.3906000 X 0.3906000 3.1248

(181) RANSON

0.3906000 X 0.3906000 3.1248

(183) READ EST.

0.1116000 X 0.1116000 0.8928

(216) TEKELL

0.3906000 X 0.3906000 3.1248

(71) WISER OIL

0.4464000 X 0.4464000 3.5712

(75) GIBSON

0.1172000 X 0.1172000 0.9376

(234) WARNER

0.1953000 X 0.1953000 1.5624

(229) R. H. VENABLE EST.

0.0206200 X 0.0206200 0.1650

(100) HOME STAKE ROYALTY

3.1803000 X 3.1803000 25.4424

(W1) ATLANTIC RICHFIELD

0.0206200 X 0.0206200 0.1650

(99) HOME STAKE OIL

0.0860000 X 0.0860000 0.6880

(217) TEXARO

0.7813000 X 0.7813000 6.2504

(10) ASHLAND

0.3711000 X 0.3711000 2.9688

(6) E. L. ARCHER, TRUSTEE

1.0515000 X 1.0515000 8.4120

(W1) ATLANTIC RICHFIELD

12.5000000 12.5000000 100.0000

86

0.649685

100.000000

0.649685



TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER	ROYALTY	PERCENT YES ROYALTY	COMMITTED ROYALTY	% TR. ROY COMMITTED
88	0.931331	EXXON	100.000000	0.931331	( 5 ) ARCHBISHOPRIC	4.5938000 X	4.5938000	36.7504
					(150) INA MILLS TRUST	0.2500000 X	0.2500000	2.0000
					( 45 ) COLONIAL ROYALTIES	0.0277700 X	0.0277700	0.2222
					( 70 ) FLUOR	1.5625000 X	1.5625000	12.5000
					( 82 ) GRAHAM	0.0695000 X	0.0695000	0.5560
					( 99 ) HOME STAKE OIL	0.0277700 X	0.0277700	0.2222
					(100) HOME STAKE ROYALTY	0.0277600 X	0.0277600	0.2221
					(136) LYETH	0.7813000 X	0.7813000	6.2504
					(155) PATTERSON	0.0694000 X	0.0694000	0.5552
					( 11 ) ATLANTIC RICHFIELD	2.3438000 X	2.3438000	18.7504
					(165) PETRUST	0.4167000 X	0.4167000	3.3336
					(187) ONEZ ROONEY	0.7812000 X	0.7812000	6.2496
					(194) SCHACHNER	0.0833000 X	0.0833000	0.6664
					(209) JUNE SPEIGHT	0.5208000 X	0.5208000	4.1664
					(225) S. S. TOLES	0.0694000 X	0.0694000	0.5552
					(238) WATSON, AGENT	0.8750000 X	0.8750000	7.0000
86	0.931331		100.000000	0.931331		12.5000000	12.5000000	100.0000
89	0.423313	GULF EXXON	50.000000	0.211657	( 11 ) ATLANTIC RICHFIELD	1.1718800 X	1.1718800	9.3750
			50.000000	0.211656	( 11 ) EXXON	5.4687500 NO	0.0000000	43.7500
					( 99 ) HOME STAKE OIL	0.0138900 X	0.0138900	0.1111
					(100) HOME STAKE ROYALTY	0.0138900 X	0.0138900	0.1111
					( 45 ) COLONIAL ROYALTIES	0.0138900 X	0.0138900	0.1111
					( 70 ) FLUOR	0.7812500 X	0.7812500	6.2500
					(165) PETRUST	0.2083500 X	0.2083500	1.6666
					( 82 ) GRAHAM	0.0347200 X	0.0347200	0.2778
					(136) LYETH	0.7812500 X	0.7812500	6.2500
					(150) INA MILLS TRUST	0.1250000 X	0.1250000	1.0000
					(155) PATTERSON	0.0347200 X	0.0347200	0.2778
					( 5 ) ARCHBISHOPRIC	2.2968700 X	2.2968700	18.3750
					(187) ONEZ ROONEY	0.7812500 X	0.7812500	6.2500
					(194) SCHACHNER	0.0416700 X	0.0416700	0.3334
					(209) JUNE SPEIGHT	0.2604100 X	0.2604100	2.0833
					(224) THE TOLES COMPANY	0.0347300 X	0.0347300	0.2778
					(238) WATSON, AGENT	0.4375000 X	0.4375000	3.5000
89	0.423313		100.000000	0.423313		12.5000000	7.0312500	100.0000
90	1.604876	EXXON	100.000000	1.604876	( 11 ) ATLANTIC RICHFIELD	6.2500000 X	6.2500000	50.0000
					( 11 ) AMOCO	0.3907000 X	0.3907000	3.1256
					(352) ARCO OIL & GAS CO.	0.5859000 X	0.5859000	4.6872
					( 16 ) DAN BOONE	0.0199450 X	0.0199450	0.1596
					( 17 ) DOROTHY BOONE	0.0352270 X	0.0352270	0.2818
					( 18 ) J. E. B. BOONE	0.1486760 X	0.1486760	1.1894
					( 47 ) A. L. CONE	0.1953000 X	0.1953000	1.5624
					( 35 ) DOROTHY CARR	0.0124320 X	0.0124320	0.0995
					( 36 ) EVERETT CARR	0.0062160 X	0.0062160	0.0497
					( 42 ) H. E. CLIFT #1381	0.1953000 X	0.1953000	1.5624

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO 18

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT ROYALTY	YES	COMMITTED ROYALTY	% TR. ROY COMMITTED
90	.	.	.	.	( 43 )	J. C. CLIFT #1608	0.1953000	X	0.1953000	1.5624
.	.	.	.	.	(137)	FRANCES MADELEY	0.1390930	X	0.1390930	1.1127
.	.	.	.	.	(138)	HERBERT MADELEY	0.0010370	X	0.0010370	0.0083
.	.	.	.	.	(151)	MOBIL	1.5626000	X	1.5626000	12.5008
.	.	.	.	.	(165)	PETRUST	0.3125000	X	0.3125000	2.5000
.	.	.	.	.	(173)	L. D. PHILLIPS	0.0062160	X	0.0062160	0.0497
.	.	.	.	.	(174)	R. S. PHILLIPS EST.	0.0062160	X	0.0062160	0.0497
.	.	.	.	.	(177)	PROTESTANT EPISCOPAL	0.0155420	X	0.0155420	0.1243
.	.	.	.	.	(193)	SABINE CORPORATION	0.3906000	X	0.3906000	3.1248
.	.	.	.	.	(209)	JUNE SPEIGHT	0.9765000	X	0.9765000	7.4120
.	.	.	.	.	(209)	JUNE SPEIGHT	0.9766000	X	0.9766000	7.4128
.	.	.	.	.	(239)	W. E. F.	0.0781000	X	0.0781000	0.6248
90	1.604876		100.000000	1.604876			12.500000		12.500000	100.0000
91	0.209848	WISER OIL	50.000000	0.104924	( 4 )	ANTWEIL	0.7812500	X	0.7812500	6.25000
.	.	TWO STATES	25.000000	0.052462	( 15 )	BERRYMAN	0.7812500	X	0.7812500	6.25000
.	.	GAILEY HERMAN	12.500000	0.026231	( 26 )	BRADLEY RESOURCES	1.1718750	X	1.1718750	9.37500
.	.	AMERADA	0.180025	0.000378	( 70 )	FLUOR	3.1250000	X	3.1250000	25.0000
.	.	AMOCO	1.148050	0.002409	( 91 )	HART, JACK	0.0029838	X	0.0029838	0.0235
.	.	ARCO	2.724737	0.005718	( 91 )	HART, JACK	0.0041728	X	0.0041728	0.0334
.	.	CHEVRON	0.953150	0.002000	( 69 )	MANUF. HANOVER TRUST	0.7812500	X	0.7812500	6.25000
.	.	CITIES	0.137637	0.000289	( 164 )	PENNS. HANOVER TRUST	2.2922410	X	2.2922410	18.3379
.	.	CONOCO	1.289412	0.002706	( 160 )	PENN BROTHERS, INC.	0.7639083	X	0.7639083	6.1113
.	.	EXXON	0.672125	0.001410	( 196 )	J. SEDLMAYR	0.7812500	X	0.7812500	6.25000
.	.	FIELDS	0.008038	0.000017	( 208 )	SOUTHLAND ROYALTY	1.9531250	X	1.9531250	15.62500
.	.	GULF	4.226425	0.008669	( 210 )	STIEREN EST.	0.0325296	X	0.0325296	0.26020
.	.	KOCH	0.045150	0.000095	( 226 )	TORTUGA	0.0280428	X	0.0280428	0.22433
.	.	S&S	0.013625	0.000028	( 231 )	WALKER	0.0011217	X	0.0011217	0.00900
.	.	SHELBY	0.008038	0.000017			.	.	.	.
.	.	SHELL	0.925725	0.001943			.	.	.	.
.	.	SUN	0.137875	0.000289			.	.	.	.
.	.	TWO STATES	0.015475	0.000033			.	.	.	.
.	.	WISER OIL	0.014513	0.000030			.	.	.	.
91	0.209848		100.000000	0.209848			12.500000		12.500000	100.0000
92	0.050973	ARCO	100.000000	0.050973	( 4 )	ANTWEIL	0.7812500	X	0.7812500	6.25000
.	.	.	.	.	( 9 )	DORA ARONSON	0.0002850	X	0.0002850	0.0023
.	.	.	.	.	( 15 )	BERRYMAN	0.7812500	X	0.7812500	6.25000
.	.	.	.	.	( 26 )	BRADLEY RESOURCES	1.1718750	X	1.1718750	9.37500
.	.	.	.	.	( 34 )	CARL CARR	0.0001400	X	0.0001400	0.0011
.	.	.	.	.	( 37 )	VERNON CARR	0.0000500	X	0.0000500	0.0004
.	.	.	.	.	( 91 )	HART/COLLINS	0.0022400	X	0.0022400	0.0179
.	.	.	.	.	( 69 )	MANUF. HANOVER TRUST	0.7812500	X	0.7812500	6.25000
.	.	.	.	.	( 70 )	FLUOR	3.1250000	X	3.1250000	25.0000
.	.	.	.	.	( 160 )	PENN BROTHERS, INC.	0.7639100	X	0.7639100	6.11133
.	.	.	.	.	( 164 )	PENNS. HANOVER TRUST	2.2922400	X	2.2922400	18.3379
.	.	.	.	.	( 91 )	HART, JACK	0.0039900	X	0.0039900	0.0319



TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	X TR. ROY COMMITTED
92	.	.	.	(196) J. SEDLMAYR	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(335) HARRY SMITH EST.	0.0001800 X	0.0001800	0.0014	
.	.	.	.	(208) SOUTHLAND ROYALTY	1.9531200 X	1.9531200	15.6250	
.	.	.	.	(210) STIEREN EST.	0.0325300 X	0.0325300	0.2602	
.	.	.	.	(226) TORTUGA	0.0280400 X	0.0280400	0.2243	
.	.	.	.	(231) WALKER	0.0011100 X	0.0011100	0.0089	
.	.	.	.	(257) ARONSON EST.	0.0002850 X	0.0002850	0.0023	
92	0.050973	100.000000	0.050973		12.5000000	12.5000000	100.0000	
93A	0.055857	100.000000	0.055857	(69) MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834	
.	.	.	.	(3) ANDREWS TRUST #518R	1.6782800 X	1.6782800	13.4262	
.	.	.	.	(4) ANTWEIL	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(15) BERRYMAN	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(263) BOYS CLUB	0.1562500 X	0.1562500	1.2500	
.	.	.	.	(277) ELKS	0.1562500 X	0.1562500	1.2500	
.	.	.	.	(282) FINCH	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(69) MANUF. HANOVER TRUST	0.2604100 X	0.2604100	2.0833	
.	.	.	.	(99) HOME STAKE OIL	0.1953100 X	0.1953100	1.5625	
.	.	.	.	(100) HOME STAKE ROYALTY	0.1953100 X	0.1953100	1.5625	
.	.	.	.	(299) KENT	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(301) P. LEONARD	0.2604100 X	0.2604100	2.0833	
.	.	.	.	(302) R. LEONARD	0.2604200 X	0.2604200	2.0834	
.	.	.	.	(303) T. LEONARD	0.2604200 X	0.2604200	2.0834	
.	.	.	.	(305) MCKIM	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(307) H. M. MCILLAN TR.	0.1953100 X	0.1953100	1.5625	
.	.	.	.	(310) J. S. MULLEN, JR.	0.1953100 X	0.1953100	1.5625	
.	.	.	.	(311) NEW MEXICO BOYS RANCH	0.1562500 X	0.1562500	1.2500	
.	.	.	.	(27) BRAILLE INSTITUTE	1.4467300 X	1.4467300	11.5738	
.	.	.	.	(196) J. SEDLMAYR	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(332) SHATTUCK SCHOOL	0.1562500 NO	0.0000000	1.2500**	
.	.	.	.	(334) C. T. SMITH, II	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(322) REGENTS OF UNH	0.1562500 X	0.1562500	1.2500	
.	.	.	.	(69) MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834	
.	.	.	.	(209) JUNE SPEIGHT	0.7812500 X	0.7812500	6.2500	
93A	0.055857	100.000000	0.055857		12.5000000	12.3437500	100.0000	
93B	0.000000	SUN	.	(69) MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834	
.	.	.	.	(3) ANDREWS TRUST #518R	1.6782800 X	1.6782800	13.4262	
.	.	.	.	(4) ANTWEIL	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(15) BERRYMAN	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(263) BOYS CLUB	0.1562500 X	0.1562500	1.2500	
.	.	.	.	(277) ELKS	0.1562500 X	0.1562500	1.2500	
.	.	.	.	(282) FINCH	0.7812500 X	0.7812500	6.2500	
.	.	.	.	(69) MANUF. HANOVER TRUST	0.2604100 X	0.2604100	2.0833	
.	.	.	.	(99) HOME STAKE OIL	0.1953100 X	0.1953100	1.5625	
.	.	.	.	(100) HOME STAKE ROYALTY	0.1953100 X	0.1953100	1.5625	
.	.	.	.	(299) KENT	0.7812500 X	0.7812500	6.2500	

TRACT	PERCENT PARTICIPATION	U.I. OWNER	U.I. PERCENT PARTICIPATION	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	TR. ROY COMMITTED
938	.	.	.	.	(301)	P. LEONARD	0.2604100 X	0.2604100	2.0833
.	.	.	.	.	(302)	R. LEONARD	0.2604200 X	0.2604200	2.0834
.	.	.	.	.	(303)	T. LEONARD	0.2604200 X	0.2604200	2.0834
.	.	.	.	.	(305)	MCKIM	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	(307)	H. M. MCILLAN TR.	0.1953100 X	0.1953100	1.5625
.	.	.	.	.	(310)	J. S. MULLEN, JR.	0.1953100 X	0.1953100	1.5625
.	.	.	.	.	(311)	NEW MEXICO BOYS RANCH	0.1562500 X	0.1562500	1.2500
.	.	.	.	.	(27)	BRAILLE INSTITUTE	1.4467300 X	1.4467300	11.5738
.	.	.	.	.	(196)	J. SEDLMAYR	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	(332)	SHATTUCK SCHOOL	0.1562500 NO	0.0000000	1.2500**
.	.	.	.	.	(333)	WANDA SHULTS	0.1953125 X	0.1953125	1.5625
.	.	.	.	.	(333)	WILMA RUTLAND	0.1953125 X	0.1953125	1.5625
.	.	.	.	.	(333)	VAN SHULTS	0.1953125 X	0.1953125	1.5625
.	.	.	.	.	(333)	JACK SHULTS	0.1953125 X	0.1953125	1.5625
.	.	.	.	.	(334)	C. T. SMITH, II	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	(322)	REGENTS OF UNM	0.1562500 X	0.1562500	1.2500
.	.	.	.	.	(69)	MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834
938	0.000000		0.000000	0.000000			12.5000000	12.3437500	100.0000
94A	0.062358	AMERADA	1.440200	0.000898	(69)	MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834
.	.	AMOCO	9.184400	0.005727	(3)	ANDREWS TRUST #5188	1.6782800 X	1.6782800	13.4262
.	.	ARCO	21.797900	0.013594	(4)	ANTWEIL	0.7812500 X	0.7812500	6.2500
.	.	CHEVRON	7.625200	0.004755	(15)	BERRYMAN	0.7812500 X	0.7812500	6.2500
.	.	CITIES	1.101100	0.000687	(263)	BOYS CLUB	0.1562500 X	0.1562500	1.2500
.	.	CONOCO	10.315300	0.006432	(277)	ELKS	0.1562500 X	0.1562500	1.2500
.	.	EXXON	5.377000	0.003353	(282)	FINCH	0.7812500 X	0.7812500	6.2500
.	.	FIELDS	0.000040	0.000040	(69)	MANUF. HANOVER TRUST	0.2604100 X	0.2604100	2.0833
.	.	GULF	0.064300	0.021084	(99)	HOME STAKE OIL	0.1953100 X	0.1953100	1.5625
.	.	KOCH	33.811400	0.000225	(100)	HOME STAKE ROYALTY	0.1953100 X	0.1953100	1.5625
.	.	S&S	0.109000	0.000068	(299)	KENT	0.7812500 X	0.7812500	6.2500
.	.	SHELLBY	0.064300	0.000040	(301)	P. LEONARD	0.2604100 X	0.2604100	2.0833
.	.	SHELL	7.405800	0.004618	(302)	R. LEONARD	0.2604200 X	0.2604200	2.0834
.	.	SUN	1.103000	0.000688	(303)	T. LEONARD	0.2604200 X	0.2604200	2.0834
.	.	TWO STATES	0.123800	0.000077	(305)	MCKIM	0.7812500 X	0.7812500	6.2500
.	.	WISER OIL	0.116100	0.000072	(307)	H. M. MCILLAN TR.	0.1953100 X	0.1953100	1.5625
.	.	.	.	.	(310)	J. S. MULLEN, JR.	0.1953100 X	0.1953100	1.5625
.	.	.	.	.	(311)	NEW MEXICO BOYS RANCH	0.1562500 X	0.1562500	1.2500
.	.	.	.	.	(27)	BRAILLE INSTITUTE	1.4467300 X	1.4467300	11.5738
.	.	.	.	.	(196)	J. SEDLMAYR	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	(332)	SHATTUCK SCHOOL	0.1562500 NO	0.0000000	1.2500**
.	.	.	.	.	(334)	C. T. SMITH, II	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	(322)	REGENTS OF UNM	0.1562500 X	0.1562500	1.2500
.	.	.	.	.	(69)	MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834
.	.	.	.	.	(209)	JUNE SPEIGHT	0.7812500 X	0.7812500	6.2500
94A	0.062358		100.000000	0.062358			12.5000000	12.3437500	100.0000

TRACT	PERCENT PARTICIPATION	U.I. OWNER	U.I. PERCENT PARTICIPATION	COMMITTED PERCENT PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	% TR. ROY COMMITTED
948	0.091329	AMERADA	1.440200	0.001315	( 69)	MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834
		AMOCO	9.184400	0.008388	( 3)	ANDREWS TRUST #5188	1.6782800 X	1.6782800	13.4262
		ARCO	21.797900	0.019908	( 4)	ANTWELL	0.7812500 X	0.7812500	6.2500
		CHEVRON	7.625200	0.006965	( 15)	BERRYMAN	0.7812500 X	0.7812500	6.2500
		CITIES	1.101100	0.001005	(263)	BOYS CLUB	0.1562500 X	0.1562500	1.2500
		COMOCO	10.315300	0.009421	(277)	ELKS	0.1562500 X	0.1562500	1.2500
		EXXON	5.377000	0.004911	(282)	FINCH	0.7812500 X	0.7812500	6.2500
		FIELDS	0.064300	0.000058	( 69)	MANUF. HANOVER TRUST	0.2604100 X	0.2604100	2.0833
		GULF	33.811400	0.030881	( 99)	HOME STAKE OIL	0.1953100 X	0.1953100	1.5625
		KOCH	0.361200	0.000331	(100)	HOME STAKE ROYALTY	0.1953100 X	0.1953100	1.5625
		S&S	0.109000	0.000099	(299)	KENT	0.7812500 X	0.7812500	6.2500
		SHELBY	0.064300	0.000058	(301)	P. LEONARD	0.2604100 X	0.2604100	2.0833
		SHELL	7.405800	0.006763	(302)	R. LEONARD	0.2604200 X	0.2604200	2.0834
		SUN	1.103000	0.001007	(303)	T. LEONARD	0.2604200 X	0.2604200	2.0834
		TWO STATES	0.123800	0.000113	(305)	MCKIM	0.7812500 X	0.7812500	6.2500
		WISER OIL	0.116100	0.000106	(307)	H. M. MCILLAN TR.	0.1953100 X	0.1953100	1.5625
					(310)	J. S. MULLEN, JR.	0.1953100 X	0.1953100	1.5625
					(311)	NEW MEXICO BOYS RANCH	0.1562500 X	0.1562500	1.2500
					( 27)	BRAILLE INSTITUTE	1.4467300 X	1.4467300	11.5738
					(196)	J. SEDLMAYR	0.7812500 X	0.7812500	6.2500
					(332)	SHATTUCK SCHOOL	0.1562500 NO	0.0000000	1.2500
					(333)	WANDA SHULTS	0.1953125 X	0.1953125	1.5625
					(333)	WILMA RUTLAND	0.1953125 X	0.1953125	1.5625
					(333)	VAN SHULTS	0.1953125 X	0.1953125	1.5625
					(333)	JACK SHULTS	0.1953125 X	0.1953125	1.5625
					(334)	C. T. SMITH, II	0.7812500 X	0.7812500	6.2500
					(332)	REGENTS OF UNH	0.1562500 X	0.1562500	1.2500
					( 69)	MANUF. HANOVER TRUST	0.2604200 X	0.2604200	2.0834
948	0.091329		100.000000	0.091329			12.5000000	12.3437500	100.0000
95	0.375553	GETTY	100.000000	0.375553	( 5)	ARCHBISHOPRIC	1.3125000 X	1.3125000	10.5000
					( 7)	L. ARCHER	0.1563000 X	0.1563000	1.2504
					( W)	ATLANTIC RICHFIELD	0.2278600 X	0.2278600	1.8229
					( 26)	BRADLEY RESOURCES	0.0977000 X	0.0977000	0.7816
					( 39)	POWATAN CARTER, JR.	0.0976500 X	0.0976500	0.7812
					( 38)	ANDERSON CARTER	0.0976500 X	0.0976500	0.7812
					( 6)	E. L. ARCHER, TRUSTEE	1.8359000 X	1.8359000	14.6872
					( 71)	COOPER/FONDA	0.0520500 X	0.0520500	0.4164
					( 59)	E. EDWARDS	0.0007200 X	0.0007200	0.0058
					( 84)	DANIEL GUTMAN	0.0781000 X	0.0781000	0.6248
					(250)	MANUF. HANOVER TRUST	0.1172000 X	0.1172000	0.9376
					( 83)	ALFRED GUTMAN	0.0782000 X	0.0782000	0.6256
					( 87)	B. GUTTAG	0.1172000 X	0.1172000	0.9376
					( 85)	DANIEL GUTMAN, TRUSTEE	0.2344000 X	0.2344000	1.8752
					(240)	WENTZ HERITAGE	0.7812500 X	0.7812500	6.2500
					( 99)	HOME STAKE OIL	0.0217000 X	0.0217000	0.1736
					(100)	HOME STAKE ROYALTY	0.0195400 X	0.0195400	0.1563
					( 97)	MARY HORNE TRUST	1.1719000 X	1.1719000	9.3752



RAY M. VADEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

18:35 FRIDAY, FEBRUARY 8, 1985

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GULF OIL E &amp; P

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER	ROYALTY	PERCENT YES ROYALTY	COMMITTED ROYALTY	TK. ROY COMMITTED
96								
•	•	•	•	(148) FIRST CITY #33-292-02	0.1953000 X	0.1953000	1.5624	
•	•	•	•	(151) MOBIL	1.5625000 X	1.5625000	12.5000	
•	•	•	•	(181) RANSOM	1.7187000 X	1.7187000	13.7496	
•	•	•	•	(199) SIDDALL	0.0390000 X	0.0390000	0.3120	
•	•	•	•	(200) SIMPSON	0.0007230 X	0.0007230	0.0058	
•	•	•	•	(206) SOCLOLO TRUST	0.0781000 X	0.0781000	0.6248	
•	•	•	•	(211) SUMMERS	0.1953000 X	0.1953000	1.5624	
•	•	•	•	(217) TEXARO	0.0781000 X	0.0781000	0.6248	
•	•	•	•	(229) R. H. VENABLE EST.	0.1953000 X	0.1953000	1.5624	
•	•	•	•	(240) WENTZ HERITAGE	0.7812500 X	0.7812500	6.2500	
•	•	•	•	(241) WENTZ LEGACY	0.7812500 X	0.7812500	6.2500	
•	•	•	•	(246) JACK WILLIS	0.0195500 X	0.0195500	0.1564	
•	•	•	•	(247) PHILIP WILLIS	0.0195500 X	0.0195500	0.1564	
•	•	•	•	(249) WILSON	0.0216910 X	0.0216910	0.1735	
•	•	•	•	(195) SEAL	0.0007220 X	0.0007220	0.0058	
---	---	---	---		12.5000000	12.5000000	100.0000	
96	0.363610		100.000000					
---	---	---	---					
97	1.415360	GETTY	100.000000	(1) ADOBE ROYALTY	0.1302100 X	0.1302100	1.0417	
•	•	•	•	(W1) AMOCO PRODUCTION	0.5208300 X	0.5208300	4.1666	
•	•	•	•	(6) E. L. ARCHER, TRUSTEE	0.9115000 X	0.9115000	7.2920	
•	•	•	•	(7) L. ARCHER	0.0390600 X	0.0390600	0.3125	
•	•	•	•	(W1) ATLANTIC RICHFIELD	0.3841000 X	0.3841000	3.0728	
•	•	•	•	(260) BLACKFORD	0.0498050 X	0.0498050	0.3984	
•	•	•	•	(24) J. BOWER, JR.	0.5089800 X	0.5089800	4.0718	
•	•	•	•	(23) D. BOWER, AGENT	0.1734400 X	0.1734400	1.3875	
•	•	•	•	(26) BRADLEY RESOURCES	0.0976500 X	0.0976500	0.7812	
•	•	•	•	(71) COOPER/FONDA	0.0520800 X	0.0520800	0.4166	
•	•	•	•	(59) E. EDWARDS	0.0007200 X	0.0007200	0.0058	
•	•	•	•	(280) FARMER UNION COMPANY	0.2929700 X	0.2929700	2.3438	
•	•	•	•	(99) HOME STAKE OIL	0.0206200 X	0.0206200	0.1650	
•	•	•	•	(100) HOME STAKE ROYALTY	0.0206200 X	0.0206200	0.1650	
•	•	•	•	(294) J. L. COLLINS, EST.	0.2929700 X	0.2929700	2.3438	
•	•	•	•	(295) SUSAN WHELOCK, TR. #247	0.0966790 X	0.0966790	0.7734	
•	•	•	•	(117) E. JONES, JR.	0.0578100 X	0.0578100	0.4625	
•	•	•	•	(122) KELLOUGH	0.0651100 X	0.0651100	0.5209	
•	•	•	•	(298) KENNAUGH	0.0732430 X	0.0732430	0.5859	
•	•	•	•	(125) LARSON	0.0019500 X	0.0019500	0.0156	
•	•	•	•	(241) WENTZ LEGACY	0.7812500 X	0.7812500	6.2500	
•	•	•	•	(136) LEYTH	0.1953200 X	0.1953200	1.5626	
•	•	•	•	(340) MCEVEY INTEKIVOS TR.	0.2929700 X	0.2929700	2.3438	
•	•	•	•	(148) FIRST CITY #33-292-02	0.1953100 X	0.1953100	1.5625	
•	•	•	•	(151) MOBIL	3.1250000 X	3.1250000	25.0000	
•	•	•	•	(313) PANHANDLE ROYALTY	0.5859400 X	0.5859400	4.6875	
•	•	•	•	(181) RANSOM	1.2499900 X	1.2499900	9.9999	
•	•	•	•	(319) WILLIAM RANSOM	0.0781200 X	0.0781200	0.6250	
•	•	•	•	(323) A. W. MCILLAN EST. #69	0.2343800 X	0.2343800	1.8750	
•	•	•	•	(187) ONEZ RODNEY	0.1953100 X	0.1953100	1.5625	
•	•	•	•	(190) FRANCES ROYALL	0.0039100 X	0.0039100	0.0313	

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	TR. ROY COMMITTED
97							
				(188) ROYALL	0.0156300 X	0.0156300	0.1250
				(188) ROYALL	0.0065100 X	0.0065100	0.0521
				(188) ROYALL	0.0065100 X	0.0065100	0.0521
				(188) ROYALL	0.0065100 X	0.0065100	0.0521
				(195) SEAL	0.0007200 X	0.0007200	0.0058
				(199) SIDDALE	0.0390600 X	0.0390600	0.3125
				(200) SIMPSON	0.0007200 X	0.0007200	0.0058
				(336) M. BLAKE SMITH	0.2929700 X	0.2929700	2.3437
				(337) SMITH OIL	0.2929600 X	0.2929600	2.3437
				(229) ROBERT VENABLE	0.1953100 X	0.1953100	1.5625
				(343) ROBERT WHEELLOCK, JR.	0.0732430 X	0.0732430	0.5859
				(240) WENTZ HERITAGE	0.7812500 X	0.7812500	6.2500
				(246) JACK WILLIS	0.0195300 X	0.0195300	0.1562
				(247) PHILIP WILLIS	0.0195300 X	0.0195300	0.1562
				(249) WILSON	0.0217000 X	0.0217000	0.1736
97	1.415360		100.000000		12.5000000	12.5000000	100.0000
98	0.572268	SHELL	100.000000				
				(1) ADOBE ROYALTY	0.1302100 X	0.1302100	1.0417
				(W1) AMOCO PRODUCTION	0.5208300 X	0.5208300	4.1666
				(5) ARCHISHOPRIC	1.3125000 X	1.3125000	10.5000
				(6) E. L. ARCHER, TRUSTEE	1.6536500 X	1.6536500	13.2292
				(7) L. ARCHER	0.0781300 X	0.0781300	0.6250
				(W1) ATLANTIC RICHFIELD	0.2278600 X	0.2278600	1.8225
				(24) J. BOWER, JR.	0.5089800 X	0.5089800	4.0718
				(26) BRADLEY RESOURCES	0.0976600 X	0.0976600	0.7813
				(136) LYETH	0.3906300 X	0.3906300	3.1250
				(71) FONDA	0.0520900 X	0.0520900	0.4167
				(83) ALFRED GUTMAN	0.2343700 X	0.2343700	1.8750
				(85) DANIEL GUTMAN, TRUSTEE	0.2343700 X	0.2343700	1.8750
				(87) B. GUTTAG	0.1171900 X	0.1171900	0.9375
				(250) MANUF. HANOVER/GUTMAN TR	0.1171900 X	0.1171900	0.9375
				(23) D. BOWER, AGENT	0.1734300 X	0.1734300	1.3874
				(99) HOME STAKE OIL	0.0108500 X	0.0108500	0.0868
				(100) HOME STAKE ROYALTY	0.0578200 X	0.0578200	0.4626
				(117) E. JONES, JR.	0.0651000 X	0.0651000	0.5208
				(122) KELLOUGH	0.0019500 X	0.0019500	0.0156
				(125) LARSON	0.2500000 X	0.2500000	2.0000
				(126) LASCA, INC.	0.3906300 X	0.3906300	3.1250
				(127) LATTA	0.1953100 X	0.1953100	1.5625
				(148) FIRST CITY #33-292-02	1.5625000 X	1.5625000	12.5000
				(151) MOBIL	1.7187500 X	1.7187500	13.7500
				(181) RANSON	0.0117100 X	0.0117100	0.0937
				(190) FRANCES ROYALL	0.0026100 X	0.0026100	0.0209
				(188) ROYALL	0.0026100 X	0.0026100	0.0209
				(188) ROYALL	0.0026100 X	0.0026100	0.0209
				(188) ROYALL	0.0065100 X	0.0065100	0.0521
				(188) ROYALL	0.0065100 X	0.0065100	0.0521

RAY M. VADEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 198518:35 FRIDAY, FEBRUARY 8, 1985 25  
GULF OIL E & P

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. COMMITTED PERCENT PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT ROYALTY	YES	COMMITTED ROYALTY	% TR. ROY COMMITTED
98				(188)	ROYALL	0.0065100 X		0.0065100	0.0521
				(187)	ONEZ ROONEY	0.3906200 X		0.3906200	3.1250
				(199)	SIDDALL	0.0390600 X		0.0390600	0.3125
				(217)	TEXARO	0.0781200 X		0.0781200	0.6250
				(229)	ROBERT VENABLE	0.1953100 X		0.1953100	1.5625
				(240)	WENTZ HERITAGE	0.7812500 X		0.7812500	6.2500
				(241)	WENTZ LEGACY	0.7812500 X		0.7812500	6.2500
				(246)	JACK MILLIS	0.0195300 X		0.0195300	0.1562
				(247)	PHILIP WILLIS	0.0195300 X		0.0195300	0.1562
				(99)	HOME STAKE OIL	0.0097700 X		0.0097700	0.0782
				(100)	HOME STAKE ROYALTY	0.0097700 X		0.0097700	0.0782
				(195)	SEAL	0.0007200 X		0.0007200	0.0058
				(59)	E. EDWARDS	0.0007300 X		0.0007300	0.0058
				(200)	SIMPSON	0.0007200 X		0.0007200	0.0058
				(249)	WILSON	0.0217000 X		0.0217000	0.1736
98	0.572268		100.000000			12.5000000		12.5000000	100.0000
99	0.607838	GULF ARCO GETTY	57.140000 28.570000 14.290000	(171)	PAUL PHILLIPS	0.0110000 X		0.0110000	0.0880
				(62)	ETZ OIL	0.3906000 X		0.3906000	3.1248
				(172)	PIERRE PHILLIPS	0.0110000 X		0.0110000	0.0880
				(180)	R. RANDOLPH	0.0651000 X		0.0651000	0.5208
				(179)	JANE RANDOLPH	0.0651000 X		0.0651000	0.5208
				(204)	PHILIP SNOW	0.0651000 X		0.0651000	0.5208
				(203)	BILL SNOW	0.0651000 X		0.0651000	0.5208
				(186)	ROELKE	0.1302000 X		0.1302000	1.0416
				(175)	ROSS M. PHILLIPS EST.	0.0110000 X		0.0110000	0.0880
				(224)	THE TOLES COMPANY	0.0651000 X		0.0651000	0.5208
				(169)	DONALD PHILLIPS	0.0109000 X		0.0109000	0.0872
				(119)	CHRISTOPHER JONES	0.0104200 X		0.0104200	0.0834
				(116)	PETER JONES	0.0104200 NO		0.0000000	0.0833**
				(64)	FARDON	0.0156200 NO		0.0000000	0.1250**
				(76)	GLAISTER	0.0156200 X		0.0156200	0.1250
				(58)	ELIZABETH JONES	0.0104200 X		0.0104200	0.0834
				(159)	BOYED PENFIELD	0.1562500 X		0.1562500	1.2500
				(132)	ROBERT LIGHT	0.7812500 X		0.7812500	6.2500
				(192)	ETHEL RUSHING EST.	0.7812500 X		0.7812500	6.2500
				(7)	L. ARCHER	0.0195000 X		0.0195000	0.1560
				(170)	JOHN PHILLIPS	0.0110000 X		0.0110000	0.0880
				(38)	ANDERSON CARTER	0.0976500 X		0.0976500	0.7812
				(209)	JUNE SPEIGHT	0.3906000 X		0.3906000	3.1248
				(50)	CRUMP FUND ACT. #2312	0.1953000 X		0.1953000	1.5624
				(49)	CRUMP TRUST #1069	0.1953000 X		0.1953000	1.5624
				(13)	HELEN BEDFORD	0.1250000 X		0.1250000	1.0000
				(202)	SMYTHE	0.0625000 X		0.0625000	0.5000
				(61)	GEORGE H. ETZ, JR. TR.	0.3906000 X		0.3906000	3.1248
				(115)	JOHNSON	0.1562500 X		0.1562500	1.2500
				(245)	ELLEN WILLIAMS	0.1250000 X		0.1250000	1.0000
				(187)	ONEZ ROONEY	2.8125000 X		2.8125000	22.5000

TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT PARTICIPATION	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED ROYALTY	% TR. ROY COMMITTED
99									
					(78)	GLASS ESTATE	0.0275000 X	0.0275000	0.2200
					(65)	FELMONT OIL	0.4212000 X	0.4212000	3.3696
					(155)	PATTERSON	0.0651000 X	0.0651000	0.5208
					(82)	GRAHAM	0.0651000 X	0.0651000	0.5208
					(136)	LYETH	2.8125000 X	2.8125000	22.5000
					(163)	ALBERT WALTER GOAL EST.	0.0550000 X	0.0550000	0.4400
					(25)	MRS. E. BRAUDFIELD	0.0137500 X	0.0137500	0.1100
					(39)	POUHATAN CARTER, JR.	0.0976500 X	0.0976500	0.7812
					(213)	SUPERIOR OIL	0.9688000 X	0.9688000	7.7504
					(77)	JULIAN GLASS, JR.	0.0137500 X	0.0137500	0.1100
					(178)	WANDA PRUETT HESS	0.1562000 X	0.1562000	1.2496
					(6)	E. L. ARCHER, TRUSTEE	0.0781000 X	0.0781000	0.6248
					(11)	CHARLES BEDFORD	0.1250000 X	0.1250000	1.0000
					(12)	HENRY BEDFORD	0.1250000 X	0.1250000	1.0000
					(21)	RACHEL BOWEN	0.1250000 X	0.1250000	1.0000
					(181)	RANSOM	0.0977000 X	0.0977000	0.7816
					(245)	ELLEN WILLIAMS	0.1250000 X	0.1250000	1.0000
					(187)	ONEZ ROONEY	2.8125000 X	2.8125000	22.5000
					(78)	GLASS ESTATE	0.0275000 X	0.0275000	0.2200
					(65)	FELMONT OIL	0.4212000 X	0.4212000	3.3696
					(155)	PATTERSON	0.0651000 X	0.0651000	0.5208
					(82)	GRAHAM	0.0651000 X	0.0651000	0.5208
					(136)	LYETH	2.8125000 X	2.8125000	22.5000
					(163)	ALBERT WALTER GOAL EST.	0.0550000 X	0.0550000	0.4400
					(2)	ADOUER/O. JONES EST.	0.0625000 X	0.0625000	0.5000
					(25)	MRS. E. BRAUDFIELD	0.0137500 X	0.0137500	0.1100
					(39)	POUHATAN CARTER, JR.	0.0976500 X	0.0976500	0.7812
					(38)	ANDERSON CARTER	0.0976500 X	0.0976500	0.7812
					(209)	JUNE SPEIGHT	0.3906000 X	0.3906000	3.1248
					(50)	CRUMP FUND ACT. #2312	0.1953000 X	0.1953000	1.5624
					(49)	CRUMP TRUST #1069	0.1953000 X	0.1953000	1.5624
					(13)	HELEN BEDFORD	0.1250000 X	0.1250000	1.0000
					(202)	SMYTHE	0.0625000 X	0.0625000	0.5000
					(61)	GEORGE H. ETZ, JR. TR.	0.3906000 X	0.3906000	3.1248
					(115)	GRACE JOHNSON	0.1562500 X	0.1562500	1.2500
					(169)	DONALD PHILLIPS	0.0110000 X	0.0110000	0.0880
					(159)	BOYED PENFIELD	0.1562500 X	0.1562500	1.2500
					(132)	ROBERT LIGHT	0.7812500 X	0.7812500	6.2500
100	0.093085	GULF ARCO GETTY	57.140000 28.570000 14.290000	0.053189 0.026594 0.013302	(213) (77) (178) (6) (11) (12) (21) (181) (245) (187) (78) (65) (155) (82) (136) (163) (2) (25) (39) (38) (209) (50) (49) (13) (202) (61) (115) (169) (159) (132)	SUPERIOR OIL JULIAN GLASS, JR. WANDA PRUETT HESS E. L. ARCHER, TRUSTEE CHARLES BEDFORD HENRY BEDFORD RACHEL BOWEN RANSOM ELLEN WILLIAMS ONEZ ROONEY GLASS ESTATE FELMONT OIL PATTERSON GRAHAM LYETH ALBERT WALTER GOAL EST. ADOUER/O. JONES EST. MRS. E. BRAUDFIELD POUHATAN CARTER, JR. ANDERSON CARTER JUNE SPEIGHT CRUMP FUND ACT. #2312 CRUMP TRUST #1069 HELEN BEDFORD SMYTHE GEORGE H. ETZ, JR. TR. GRACE JOHNSON DONALD PHILLIPS BOYED PENFIELD ROBERT LIGHT	0.9688000 X 0.0137500 X 0.1562000 X 0.0781000 X 0.1250000 X 0.1250000 X 0.1250000 X 0.0977000 X 0.1250000 X 2.8125000 X 0.0275000 X 0.4212000 X 0.0651000 X 0.0651000 X 2.8125000 X 0.0550000 X 0.0625000 X 0.0137500 X 0.0976500 X 0.0976500 X 0.3906000 X 0.1953000 X 0.1953000 X 0.1250000 X 0.0625000 X 0.3906000 X 0.1562500 X 0.0110000 X 0.1562500 X 0.7812500 X	0.9688000 0.0137500 0.1562000 0.0781000 0.1250000 0.1250000 0.1250000 0.0977000 0.1250000 2.8125000 0.0275000 0.4212000 0.0651000 0.0651000 2.8125000 0.0550000 0.0625000 0.0137500 0.0976500 0.0976500 0.3906000 0.1953000 0.1953000 0.1250000 0.0625000 0.3906000 0.1562500 0.0110000 0.1562500 0.7812500	7.7504 0.1100 1.2496 0.6248 1.0000 1.0000 1.0000 0.7816 1.0000 22.5000 0.2200 3.3696 0.5208 0.5208 22.5000 0.4400 0.1100 0.7812 0.7812 0.7812 3.1248 1.5624 1.5624 1.0000 0.5000 3.1248 1.2500 0.0880 1.2500 6.2500
99	0.607838		100.000000	0.607838			12.5000000	12.4635400	100.0000



RAY M. VADEN

EUNICE MONUMENT SOUTH UNIT, LEA COUNTY, NEW MEXICO  
SUMMARY & ANALYSIS OF COMMITTED INTERESTS AS OF FEBRUARY 1, 1985

18:35 FRIDAY, FEBRUARY 8, 1985

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TRACT	PERCENT PARTICIPATION	W.I. OWNER	W.I. PERCENT	COMMITTED PARTICIPATION	OWNER NUMBER	ROYALTY OWNER	PERCENT YES ROYALTY	COMMITTED & TR. ROY ROYALTY	COMMITTED
100	.	.	.	.	(192)	ETHEL RUSHING EST.	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	( 7 )	L. ARCHER	0.0195000 X	0.0195000	0.1560
.	.	.	.	.	(170)	JOHN PHILLIPS	0.0110000 X	0.0110000	0.0880
.	.	.	.	.	(171)	PAUL PHILLIPS	0.0110000 X	0.0110000	0.0880
.	.	.	.	.	( 62 )	ETZ OIL	0.3906000 X	0.3906000	3.1248
.	.	.	.	.	(172)	PIERRE PHILLIPS	0.0110000 X	0.0110000	0.0880
.	.	.	.	.	(180)	RAYMOND RANDOLPH	0.0651000 X	0.0651000	0.5208
.	.	.	.	.	(179)	JANE RANDOLPH	0.0651000 X	0.0651000	0.5208
.	.	.	.	.	(204)	PHILIP SNOW	0.0651000 X	0.0651000	0.5208
.	.	.	.	.	(203)	BILL SNOW	0.0651000 X	0.0651000	0.5208
.	.	.	.	.	(186)	ROELKE	0.1302000 X	0.1302000	1.0416
.	.	.	.	.	(175)	ROSS M. PHILLIPS EST.	0.0109000 X	0.0109000	0.0872
.	.	.	.	.	(224)	THE TOLES COMPANY	0.0651000 X	0.0651000	0.5208
100	0.093085	100.000000	0.093085	100.000000			12.5000000	12.5000000	100.0000
101	0.228542	100.000000	0.228542	100.000000	( 4 )	ANTWEIL	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	( 15 )	BERRYMAN	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	( 26 )	BRADLEY RESOURCES	1.1718800 X	1.1718800	9.3750
.	.	.	.	.	( 69 )	MANUF. HANOVER TRUST	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	( 70 )	FLUOR	3.1250000 X	3.1250000	25.0000
.	.	.	.	.	(130)	HART/F. O. LONG EST.	0.0022400 X	0.0022400	0.0179
.	.	.	.	.	(164)	PENSON	2.2922500 X	2.2922500	18.3360
.	.	.	.	.	(168)	HART/MEGAN	0.0011300 X	0.0011300	0.0090
.	.	.	.	.	( 91 )	HART, JACK	0.0037600 X	0.0037600	0.0301
.	.	.	.	.	(160)	PENN BROTHERS, INC.	0.7639200 X	0.7639200	6.1114
.	.	.	.	.	(196)	J. SEDLMAYR	0.7812500 X	0.7812500	6.2500
.	.	.	.	.	(208)	SOUTHLAND ROYALTY	1.9531200 X	1.9531200	15.6250
.	.	.	.	.	(210)	STIEREN EST.	0.0325300 X	0.0325300	0.2602
.	.	.	.	.	(226)	TORTUGA	0.0280400 X	0.0280400	0.2243
.	.	.	.	.	(231)	WALKER	0.0011300 X	0.0011300	0.0090
101	0.228542	100.000000	0.228542	100.000000			12.5000000	12.5000000	100.0000
100	10400	100.000000	10400	100.000000			1312.5	1306.34	10450.7

FROM ABOVE  
PAGE  
TOTALS

SUMMARY:  
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WORKING INTEREST OWNERS COMMITTED BY RATIFICATION & JOINDER = 94.83 X  
\*WORKING INTEREST OWNERS COMMITTED BY STATUTORY UNITIZATION = 5.17 X  
-----  
100.00 X

ROYALTY INTERESTS COMMITTED BY RATIFICATION & JOINDER = 99.53 X  
\*\*ROYALTY INTERESTS COMMITTED BY STATUTORY UNITIZATION = .47 X  
-----  
100.00 X

(NUMERIC EXPLANATION OF THESE FIGURES)  
1312.5 = 12.5000 X 105 TOTAL ROYALTY TRACTS  
(101 ROYALTY TRACTS + 4 A-B SUB-TRACTS)  
1306.32 = COMMITTED ROYALTY IN THESE 105 ROYALTY TRACTS  
THEREFORE, ALSO:  
10450.6 / 105 = 99.53 X ROYALTY INTERESTS COMMITTED

WORKING INTEREST OWNERS:

JOINING WORKING INTEREST OWNERS 35  
\*COMMITTED BY STATUTE 5  
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44

ROYALTY OWNERS:

JOINING ROYALTY OWNERS 258  
\*\*COMMITTED BY STATUTE 10  
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268