



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5795

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5713

PLANNING
(505)-827-5752

February 25, 1997

Harvey E. Yates Company
P.O. Box 1933
Roswell, New Mexico 88202-1933

Attn: Ms. Diane L. Marshall

Re: Flint Unit
Arco Permian-- Subsequent Ratifications & Joinders
Tracts No. 7, SW/4NW/4, Section 4-18S-36E
Lea County, New Mexico

Dear Ms. Marshall:

We received your letter of January 30, 1997, together with copies of subsequent ratifications and joinders to the Flint Unit.

Your ratifications and joinders are hereby accepted as submitted. Tract No. 7 is now fully committed. The Operating Agreement ratifications and joinders from Penwell Energy Inc. are accepted for record.

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

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

RP/JB/cpm
cc: Reader File

OCD

HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P. O. BOX 1933

ONE SUNWEST CENTRE

505 / 623-6601

FAX 505 / 622-4221

ROSWELL, NEW MEXICO 88202-1933

January 30, 1997

New Mexico State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Attention: Pete Martinez, Oil & Gas Units

FEB - 3 1997

Re: Flint Unit
T-17S, R-36E and
T-18S, R-35 & 36E, N.M.P.M.
Lea County, New Mexico

Dear Pete:

Pursuant to Section 22 "Subsequent Joinder", of the Flint Unit Agreement (effective September 29, 1995), enclosed is a "Ratification and Subsequent Joinder of Unit Agreement" from ARCO Permian for Tract #7, previously uncommitted to the Flint Unit Agreement. The description for Tract #7, is:

Township 18 South, Range 36 East, N.M.P.M.
Section 4: SW/4 NW/4
Lea County, New Mexico
containing 40.0 acres, more or less
Lease No. B-3114-7

Harvey E. Yates Company (HEYCO) respectfully requests approval of the above document and the commitment of Tract #7 to the Flint Unit Agreement.

Also enclosed is a "Ratification and Subsequent Joinder of Unit Agreement and Unit Operating Agreement" from Penwell Energy, Inc. For Tracts 9, 10, 12, 14 and 21. These Tracts are already committed to the Flint Unit Agreement, but with Mitchell Energy Corporation as the Lessee of Record. Subsequently, Mitchell has assigned record title to this acreage to Penwell Energy, Corporation. Penwell is also a working interest owner in this unit.

Very truly yours,

Diana L. Marshall
Land Assistant

/dlm
Enclosures

✓ xc: OCD-Santa Fe, Attn: Mr. Roy Johnson

flintslo.doc.a:\flint#2

RATIFICATION AND SUBSEQUENT JOINDER OF UNIT AGREEMENT
AND
UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Flint Unit Area, County of Lea, State of New Mexico, dated May 23, 1995, in form approved on behalf of the Commissioner of Public Lands, effective as of September 29, 1995, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned, successor in interest to Mitchell Energy Corporation (whether one or more), 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 instruments.

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

EXECUTED this 13th day of February, 1996,
but effective as of October 1, 1995.

ATTEST:

PENWELL ENERGY INC.

C. Mark Wheeler
C. MARK WHEELER, CPL
LAND MANAGER

Tract Nos: BERMION BASIN, 14, 21

John Bergman
John Bergman, Secretary

Steven R. Foy
By: Steven R. Foy
Title: Vice President
Address: 600 North Marienfeld
Suite 1100
Midland, Texas 79701
Tax ID#: 75-2223190

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on February 13
1996, by Steven R. Foy, Vice President of PENWELL ENERGY
INC., a Texas corporation.

My Commission Expires:

9/23/97

flintrat.fy4/EL



Tammy Baimbridge
Notary Public
TAMMY BAIMBRIDGE
Notary Public, State of Texas
My commission expires 9/23/97

RATIFICATION AND SUBSEQUENT JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Flint Unit Area, County of Lea, State of New Mexico, dated May 23, 1995, in form approved on behalf of the Commissioner of Public Lands, effective as of September 29, 1995, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, as fully as though the undersigned had executed the original instrument.

This Ratification and Subsequent Joinder shall be effective as to the undersigned's interests in any lands and lease, or interests therein, and royalties presently held, or which may arise under existing 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 Subsequent Joinder of Unit Agreement shall be binding upon the undersigned, (his) (her) (its) heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26 day of January, 1996,
but effective as of October 1, 1995.

ARCO PERMIAN

Tract No.: 7

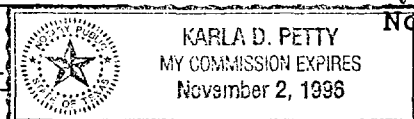
By: T.L. Holland
Title: ATTORNEY IN FACT
Address: P. O. Box 1610
Midland, Texas 79702
Tax ID#: _____

STATE OF Texas)
COUNTY OF Midland)

This instrument was acknowledged before me on Jan 26
1996, by T.L. HOLLAND ATTORNEY-IN-FACT of Atlantic Richfield Company
_____, a Delaware corporation.

My Commission Expires:

flintrat.ua2/EL



Karla D. Petty
Notary Public



11394

CONSERVATION DIVISION
RECEIVED

State of New Mexico NO 5 PM 8 52
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

October 25, 1995

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88202-1933

Attn: Ms. Melissa Randle

Re: Preliminary Approval
Proposed Bennett Ranch Unit
Otero County, New Mexico

Dear Ms. Randle:

This office has reviewed the unexecuted copy of the unit agreement which you have submitted for the proposed Bennett Ranch Unit area, Otero County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands, who has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases, until final approval and an effective date have been given. Also, any well commenced prior to the effective date of this agreement which penetrates its objective horizon prior to said effective date shall not be construed as the initial test well.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the Lessees of Record and Working Interest Owners. Two sets of ratifications must be submitted. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division and approval by the Bureau of Land Management. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.
4. Please submit two copies of the Unit Agreement.

Harvey E. Yates Company
October 25, 1995
Page 2

5. The filing fee for a Unit Agreement is thirty (\$30.00) dollars for every section or partial section thereof. Please submit a filing fee in the amount of \$630.00 dollars.
6. Please be advised that Articles 9 and 17(b) have been revised to reflect changes required by the Bureau of Land Management. As mentioned in our recent telephone conversation, please check with the Bureau of Land Management about updating Articles 9 and 17(b) of your unit agreement form.

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/pm

cc: Reader File
BLM-Roswell Attn: Mr. Armando Lopez
~~OCD-Santa Fe~~ Attn: Mr. Roy Johnson

11373



RAY POWELL, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

September 29, 1995

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88202-1933

Attn: Ms. Shari A. Darr

Re: Final Approval - Flint Unit
Lea County, New Mexico

Dear Ms. Darr:

This office is in receipt of your ratifications and letter of September 25, 1995 requesting final approval of the Flint Unit Agreement, Lea County, New Mexico.

Please be advised that the Commissioner of Public Lands has this date granted final approval to the Flint Unit Agreement, Lea County, New Mexico. The effective date of your agreement is September 29, 1995.

It is our understanding that Tract Nos. 1, 2, 3, 4, 5 and 7 are not committed to the unit agreement at this time. These uncommitted tracts can be committed at a later date by following the subsequent joinder provisions under Article 22 of the Flint Unit Agreement.

Our approval is subject to like approval by the New Mexico Oil Conservation Division.


Enclosed are five (5) Certificates of approval. Your filing fee in the amount of \$420.00 dollars has been received.

Harvey E. Yates Company
Final Approval - Flint Unit
September 29, 1995
Page 2

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/pm
Enclosures

cc: Reader File
OCD-Santa Fe Attn: Mr. Roy Johnson
TRD-Santa Fe Attn: Mr. Valdean Severson
Commissioner's File

September 11, 1995

HINKLE, COX, EATON,
COFFIELD & HENSLEY
Attorneys at Law
P. O. Box 2068
Santa Fe, New Mexico 87501


ATTN: Jim Bruce

**RE: CASE NO. 11373
Order No. R-10457**

Dear Sir:

Enclosed herewith are four copies of the above-referenced Division orders recently entered in the subject cases.

Sincerely,


Sally E. Martinez
Administrative Secretary

cc: BLM - Carlsbad
Pete Martinez - SLO



11383

OIL CONSERVATION DIVISION
RECEIVED

'95 SEP 24 AM 8 52

RAY POWELL, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

September 25, 1995

Santa Fe Energy Resources, Inc.
550 W. Texas
Suite 1330
Midland, Texas 79701

Attention: Ms. Danita R. Walker

Re: Preliminary Approval
Proposed Kemosabe Unit
Lea County, New Mexico

Dear Ms. Walker:

This office has reviewed the unexecuted copy of the unit agreement which you have submitted for the proposed Kemosabe Unit area, Lea County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands, who has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases, until final approval and an effective date have been given. Also, any well commenced prior to the effective date of this agreement which penetrates its objective horizon prior to said effective date shall not be construed as the initial test well.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
4. Please submit two copies of the unit agreement and one copy of the unit operating agreement.

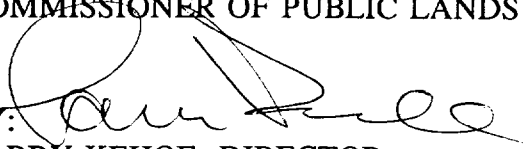
Santa Fe Energy Resources, Inc.
September 25, 1995
Page 2

5. The filing fee for a unit agreement is thirty (\$30.00) dollars for every section or partial section thereof. Please submit a filing fee in the amount of \$60.00 dollars.
6. Please follow the changes we have made to Exhibit "B".

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, DIRECTOR
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/pm
Enclosure

cc: Reader File
OCD-Santa Fe -- Attention: Mr. Roy Johnson
Commissioner's File



Oil and Gas Division
August 2, 1995

RAY POWELL, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

August 2, 1995

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88202-1933

Attn: Ms. Diana L. Marshall

Re: Preliminary Approval
Proposed Flint Unit
Lea County, New Mexico

Dear Ms. Marshall:

This office has reviewed the unexecuted copy of the unit agreement which you have submitted for the proposed Flint Unit area, Lea County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands, who has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases, until final approval and an effective date have been given. Also, any well commenced prior to the effective date of this agreement which penetrates its objective horizon prior to said effective date shall not be construed as the initial test well.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the Lessees of Record and Working Interest Owners. Two sets of ratifications must be submitted. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
4. Please submit two copies of the Unit Agreement.

Harvey E. Yates Company

August 2, 1995

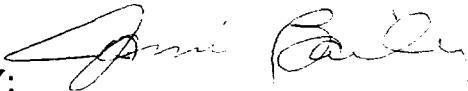
Page 2

5. The filing fee for a Unit Agreement is thirty (\$30.00) dollars for every section or partial section thereof. Please submit a filing fee in the amount of \$420.00 dollars.
6. Please note the changes we have made to Exhibit "B", a copy of which has been enclosed.

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILLY, Deputy Director
Oil, Gas and Minerals Division
(505) 827-5745

RP/JB/pm

Enclosure

cc: Reader File

OCD-Santa Fe -- Attention: Mr. Roy Johnson

UNIT NAME: FLINT UNIT
OPERATOR: HARVEY E. YATES COMPANY
COUNTY: LEA

DATE	OCC CASE NO.	TOTAL	ACREAGE	STATE	FEDERAL	INDIAN	SEGREGATION	TERM
APPROVED	OCC ORDER NO.					FEE	CLAUSE	

EFFECTIVE	11373	8446.58	8446.58	0	0	STRICT	SO LONG AS
9/29/95	R-10457						

APPROVALS

SLO--9-29-95
OCD--9/8/95

TOWNSHIP 17 SOUTH, RANGE 36 EAST

Section 28: All
Section 31: Lots 3, 4, E/2SW/4, SE/4
Sections 32 and 33: All

TOWNSHIP 18 SOUTH, RANGE 35 EAST

Section 1: Lots 1, 2, S/2NE/4, S/2

TOWNSHIP 18 SOUTH, RANGE 36 EAST

Sections 4, 5, 6, 7, 8, 9: All
Sections 16, 17, 18: All

1075661
RECEIVED
10/2/95

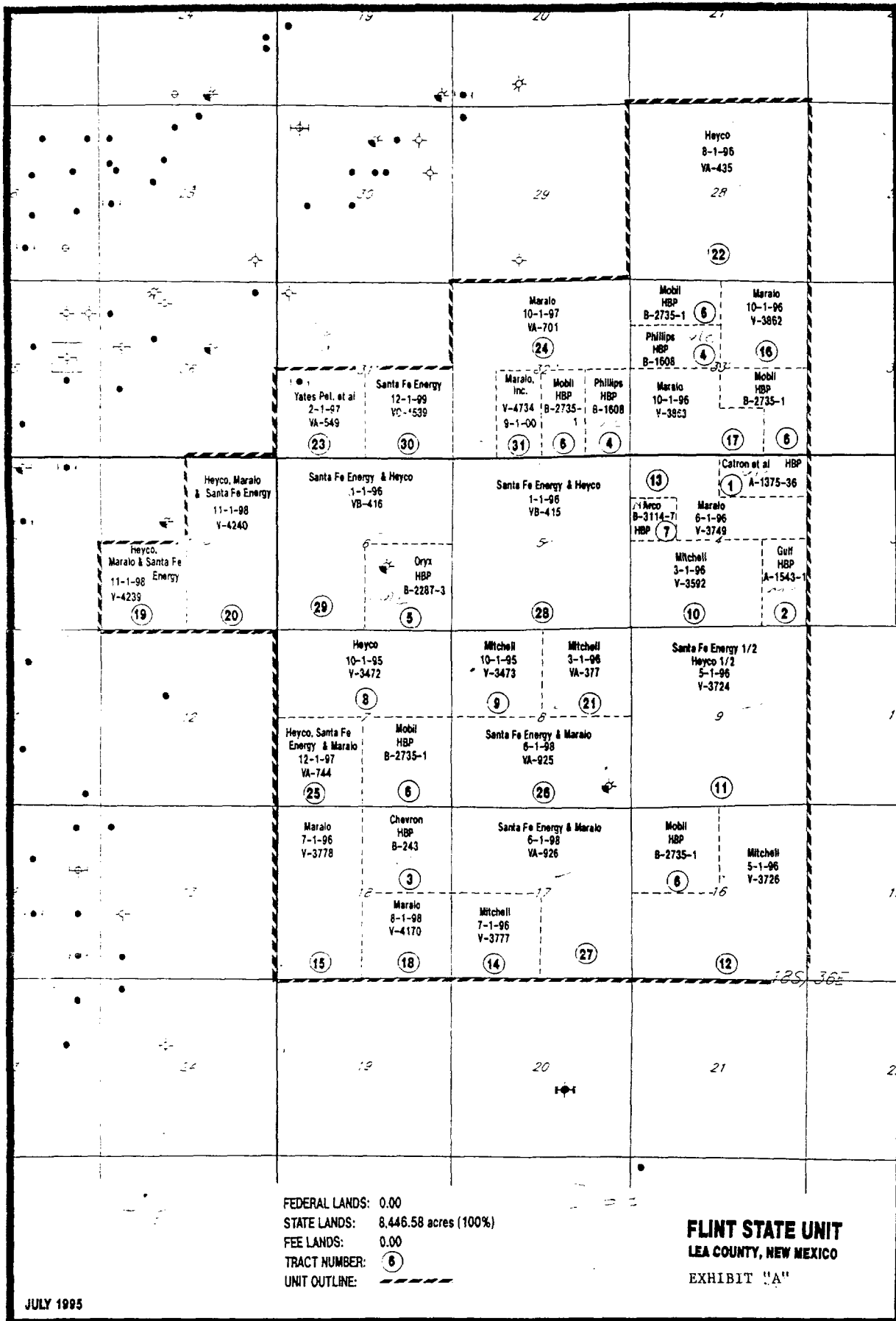


EXHIBIT B

FLINT STATE UNIT AGREEMENT - LEA COUNTY, NEW MEXICO
MAY 23, 1995

TRACT NO.	LAND DESCRIPTION	NUMBER OF ACRES	SERIAL # & LEASE EXPIRATION	BASIC ROYALTY	LESSEE OF RECORD	ORRI (%)	WORKING INTEREST OWNERSHIP (Decimal)
-----------	------------------	-----------------	-----------------------------	---------------	------------------	----------	--------------------------------------

ALL STATE OF NEW MEXICO LANDS

1.	T-18S, R-36E Sec. 4: Lots 1, 2	80.55	A-1375-36 HBP	12.50%	J.S. Catron & T.B. Catron III, JTRoS Agents Under Agency Agreement, dated 1/1/88		Maxine Wallace .04875000 Gould Family Tr. .12187500 Marjorie Hobbs .15000000 Janet Catron .12083300 J.B. Catron Trust .10833300 T.B. Catron III .01250000 T.B. Catron III & J.S. Catron Trs. UTA of 5/25/71 .06250000 Sue Bergere Trust .01250000 Wallace Fam.Trust .12187500 Jane N. Frey .07875000 John N. Eddy .07875000 Jane E. Moore .01041663 Edith Wheeler .01041663 Mary McWhorter .01041663 David Arrington .01041663 Michael H. Moore .01041663 Ann D. Allison .01041664 McWhorter Fam.Tr. .01041664 Davis Coppedge .00520831 James Coppedge .00520831
2.	T-18S, R-36E Sec. 4: E/2 SE/4	80.00	A-1543-1 HBP	12.50%	Chevron USA Inc.		Chevron USA, Inc. 1.000000000

TRACT NO.	LAND DESCRIPTION	NUMBER OF ACRES	SERIAL # & LEASE EXPIRATION	BASIC ROYALTY	LESSEE OF RECORD	ORRI (%)	WORKING INTEREST OWNERSHIP (Decimal)
3.	T-18S, R-36E Sec. 18: NE/4	160.00	B-243 HBP	12.50%	Chevron USA Inc.		Chevron USA Inc. 1.00000000
4.	T-17S, R-36E Sec. 32: E/2 SE/4 Sec. 33: S/2 NW/4	160.00	B-1608 HBP	12.50%	Phillips Petroleum		Phillips Pet. 1.00000000
5.	T-18S, R-36E Sec. 6: SE/4	160.00	B-2287-3 HBP	12.50%	ORIX Energy Company		ORIX Energy Co. 1.00000000
6.	T-17S, R-36E Sec. 32: W/2 SE/4 Sec. 33: N/2 NW/4, N/2 SE/4, SE/4 SE/4	600.00	B-2735-1 HBP	12.50%	Mobil Producing TX & NM Inc.		Mobil Producing 1.00000000
7.	T-18S, R-36E Sec. 7: SE/4 Sec. 16: NW/4	40.00	B-3114-7 HBP	12.50%	ARCO		ARCO 1.00000000
8.	T-18S, R-36E Sec. 7: Lots 1, 2, NE/4, E/2 NW/4	314.07	V-3472 10/1/95	16.67%	HEYCO		HEYCO Explorers Pet. .44000000 Spiral, Inc. .01500000 HEYCO Emp. Ltd. .02000000 Lauren Yates Tr. .00250000 Lindsey Yates Tr. .00250000 Santa Fe Energy .50000000

TRACT NO.	LAND DESCRIPTION	NUMBER OF ACRES	SERIAL # & LEASE EXPIRATION	BASIC ROYALTY	LESSEE OF RECORD	ORRI (%)	WORKING INTEREST OWNERSHIP (Decimal)
9.	T-18S, R-36E Sec. 8: NW/4	160.00	V-3473 10/1/95	16.67%	Mitchell Energy Corp.	8/30/95	Mitchell Energy 1.00000000
10.	T-18S, R-36E Sec. 4: SW/4, W/2 SE/4	240.00	V-3592 3/1/96	16.67%	Mitchell Energy Corp.	8/30/95	Mitchell Energy 1.00000000
11.	T-18S, R-36E Sec. 9: A11	640.00	V-3724 5/1/96	16.67%	HEXCO 50%		HEXCO .50000000 Santa Fe Energy .50000000
12.	T-18S, R-36E Sec. 16: NE/4, S/2	480.00	V-3726 5/1/96	16.67%	Mitchell Energy Corp.		Mitchell Energy 1.00000000
13.	T-18S, R-36E Sec. 4: Lots 3, 4, SE/4 NW/4, S/2 NE/4	200.94	V-3749 6/1/96	16.67%	Maralo, Inc.	1.25% John Thoma	Maralo, Inc. 1.00000000
14.	T-18S, R-36E Sec. 17: SW/4	160.00	V-3777 7/1/96	16.67%	Mitchell Energy Corp.		Mitchell Energy 1.00000000
15.	T-18S, R-36E Sec. 18: Lots 1-4, E/2 W/2	308.68	V-3778 7/1/96	16.67%	Maralo, Inc.		Maralo, Inc. 1.00000000
16.	T-17S, R-36E Sec. 33: NE/4	160.00	V-3862 10/1/96	16.67%	Maralo, Inc.	1.25% John Thoma	Maralo, Inc. 1.00000000

TRACT NO.	LAND DESCRIPTION	NUMBER OF ACRES	SERIAL # & LEASE EXPIRATION	BASIC ROYALTY	LESSEE OF RECORD	ORRI (%)	WORKING INTEREST OWNERSHIP (Decimal)
17.	T-17S, R-36E Sec. 33: SW/4, SW/4 SE/4	200.00	V-3863 10/1/96	16.67%	Maralo, Inc.	1.25% John Thoma	Maralo, Inc. 1.00000000
18.	T-18S, R-36E Sec. 18: SE/4	160.00	V-4170 8/1/98	16.67%	Maralo, Inc.		Maralo, Inc. 1.00000000
19.	T-18S, R-35E Sec. 1: SW/4	160.00	V-4239 11/1/98	16.67%	Santa Fe Energy Resources		Maralo, Inc. .33333333 Santa Fe Energy .33333334 HEYCO .33333333
20.	T-18S, R-35E Sec. 1: Lots 1, 2, S/2 NE/4, SE/4	319.80	V-4240 11/1/98	16.67%	Santa Fe Energy Resources		Maralo, Inc. .25000000 Santa Fe Energy .25000000 HEYCO .50000000
21.	T-18S, R-36E Sec. 8: NE/4	160.00	VA-377 3/1/96	12.50%	Mitchell Energy Corp.		Mitchell Energy 1.00000000
22.	T-17S, R-36E Sec. 28: All	640.00	VA-435 8/1/96	12.50%	HEYCO		HEYCO 1.00000000
23.	T-17S, R-36E Sec. 31: Lots 3, 4, E/2 SW/4	155.36	VA-549 2/1/97	12.50%	Yates Petroleum Corp.		Yates Petroleum .70000000 Yates Drilling Co .10000000 ABO Petroleum .10000000 MYCO Industries .10000000

TRACT NO.	LAND DESCRIPTION	NUMBER OF ACRES	SERIAL # & LEASE EXPIRATION	BASIC ROYALTY	LESSEE OF RECORD	ORRI (%)	WORKING INTEREST OWNERSHIP (Decimal)
24.	T-17S, R-36E Sec. 32: N/2, W/2 SW/4	400.00	VA-701 10/1/97	12.50%	Maralo Inc.		Maralo, Inc. 1.00000000
25.	T-18S, R-36E Sec. 7: Lots 3, 4, E/2 SW/4	154.21	VA-744 12/1/97	12.50%	Santa Fe Energy Resources		Maralo, Inc. .33333333 Santa Fe Energy .33333333 HEYCO .33333334
26.	T-18S, R-36E Sec. 8: S/2	320.00	VA-925 6/1/98	12.50%	Maralo		Maralo, Inc. .50000000 Santa Fe Energy .50000000
27.	T-18S, R-36E Sec. 17: N/2, SE/4	480.00	VA-926 6/1/98	12.50%	Santa Fe Energy Resources		Maralo, Inc. .50000000 Santa Fe Energy .50000000
28.	T-18S, R-36E Sec. 5: Lots 1-4, S/2 N/2, S/2 (A11)	642.31	VB-415 1/1/96	18.75%	HEYCO		HEYCO .50000000 Santa Fe Energy .50000000
29.	T-18S, R-36E Sec. 6: Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4	470.66	VB-416 1/1/96	18.75%	HEYCO		HEYCO .50000000 Santa Fe Energy .50000000
30.	T-17S, R-36E Sec. 31: SE/4	160.00	VO-4539 12/1/99	16.67%	Santa Fe Energy Resources		Maralo, Inc. .33333333 Santa Fe Energy .33333334 HEYCO .33333333

TRACT NO.	LAND DESCRIPTION	NUMBER OF ACRES	SERIAL # OF LEASE EXPIRATION	BASIC ROYALTY	LESSEE OF RECORD	ORRI (%)	WORKING INTEREST OWNERSHIP (Decimal)
31.	T-17S, R-36E Sec. 32: E/2 SW/4	80.00	V-4734 9/01/00	16.67%	Maralo Inc.	91.5/95	Maralo, Inc. Santa Fe Energy HEYCO .33333333 .33333334 .33333333
31 State Tracts - 8,446.58 acres, being 100% of the unit area (Committed Acres - 7,806.03, being 92.416457% of unit area)							

72,000