

EXHIBIT "B"

Luke Federal State Unit
Eddy County, New Mexico

TRACT NUMBER	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSOR & BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY	WORKING INTEREST
1	<u>T21S-R22E</u> Section 9: All	640.00	NM-88234 2/28/02	United States of America 1/8	John P. Strang 100%	John P. Strang 6.25%	Yates Petroleum Corporation 4% Yates Drilling Company 32% Abo Petroleum Corporation 32% Mycos Industries, Inc. 32%
2	<u>T21S-R22E</u> Section 3: Lots 1, 2, 3, 4, S/2N/2, SW/4 Section 10: NW/4, SE/4	800.32	NM-91499 8/31/03	United States of America 1/8	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Mycos Industries, Inc.	Marshall & Winston, Inc. 5.00%	Yates Petroleum Corporation 4% Yates Drilling Company 32% Abo Petroleum Corporation 32% Mycos Industries, Inc. 32%
3	<u>T21S-R22E</u> Section 3: SE/4 Section 10: NE/4, SW/4	480.00	NM-102890 5/31/09	United States of America 1/8	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Mycos Industries, Inc.	0	Yates Petroleum Corporation 40% Yates Drilling Company 20% Abo Petroleum Corporation 20% Mycos Industries, Inc. 20%
Total Federal Lands 1920.32 acres or 74.98%							
4	<u>T21S-R22E</u> Section 2: Lots 1-4, S/2NW, S/2	640.80	VO-4928 9/1/01	State of New Mexico 1/6	Yates Petroleum Corporation 100%	0	Yates Petroleum Corporation 70% Yates Drilling Company 10% Abo Petroleum Corporation 10% Mycos Industries, Inc. 10%
Total State Lands 640.80 acres or 25.02%							
Total Federal Lands 1920.32 acres or 74.98%							
Total State Lands 640.80 acres or 25.02%							
TOTAL UNIT ACRES 2,561.12 acres or 100.00%							

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 12676 Exhibit No. 3

Submitted by:

Yates Petroleum CorporationHearing Date: June 14, 2001