



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

APR 18 1967

RECEIVED
APR 21 1967

Coastal States Gas Producing Company
c/o Hinkle, Bondurant & Christy
P. O. Box 10
Roswell, New Mexico 88201

HINKLE, BON DURANT & CHRISTY
ROSWELL, NEW MEXICO

Gentlemen:

Your application of January 31, filed with the Regional Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the Flying M-San Andres unit area, embracing 4,080 acres in Lea County, New Mexico, as logically subject to operation under the unitization provisions of the Mineral Leasing Act, as amended. The proposed unit area is comprised of 480 acres (11.76 percent) of Federal lands, 2,840 acres (69.61 percent) of State of New Mexico lands, and 760 acres (18.63 percent) of fee lands.

Unitization is for the purpose of conducting pressure maintenance and secondary recovery by water injection and will be limited to the San Andres formation as defined in Section 2(g) of the unit agreement. The area has been developed by 43 wells completed in the formation to be unitized. Phase I participation in unitized substances is based 75 percent upon production from May 1, 1966, to November 1, 1966, and 25 percent on productive acres. Phase II participation is based 75 percent on ultimate primary recovery and 25 percent on productive acres. You estimate the pressure maintenance and secondary recovery project will result in the recovery of 3 million barrels of oil over and above that recoverable by primary depletion.

The land outlined on your plat marked "Exhibit A, Flying M-San Andres Unit, Lea County, New Mexico," is acceptable as a logical unit area for pressure maintenance and secondary recovery operations. Your proposed form of unit agreement which modifies the standard form (1961 reprint) to the extent necessary to cover conditions incidental to pressure maintenance and secondary recovery operations in a producing unit will be acceptable if further modified as marked in colored pencil and by attached riders. One copy of the marked form is returned herewith and the remaining copies are retained for distribution to the appropriate offices of the Geological Survey.

BEFORE EXAMINER UTZ
CONSERVATION COMMISSION
EXHIBIT NO. 6
NO. 3554 - 3555

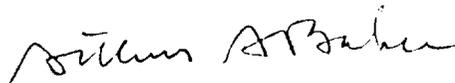
Exhibit #6

In the absence of any lands requiring special provisions or any objections not now apparent, a duly executed agreement conformed to the marked copies and approved by the appropriate officials of the State of New Mexico will be approved if submitted in approvable status within a reasonable period of time. However, the right is reserved to deny approval of any executed agreement that, in our opinion, does not have the full commitment of sufficient lands to afford effective control over pressure maintenance operations.

Please include the latest status of all acreage when the executed agreement is submitted for final approval. The format of the sample exhibits attached to the 1961 reprint of the standard form should be followed closely in preparation of Exhibits A and B.

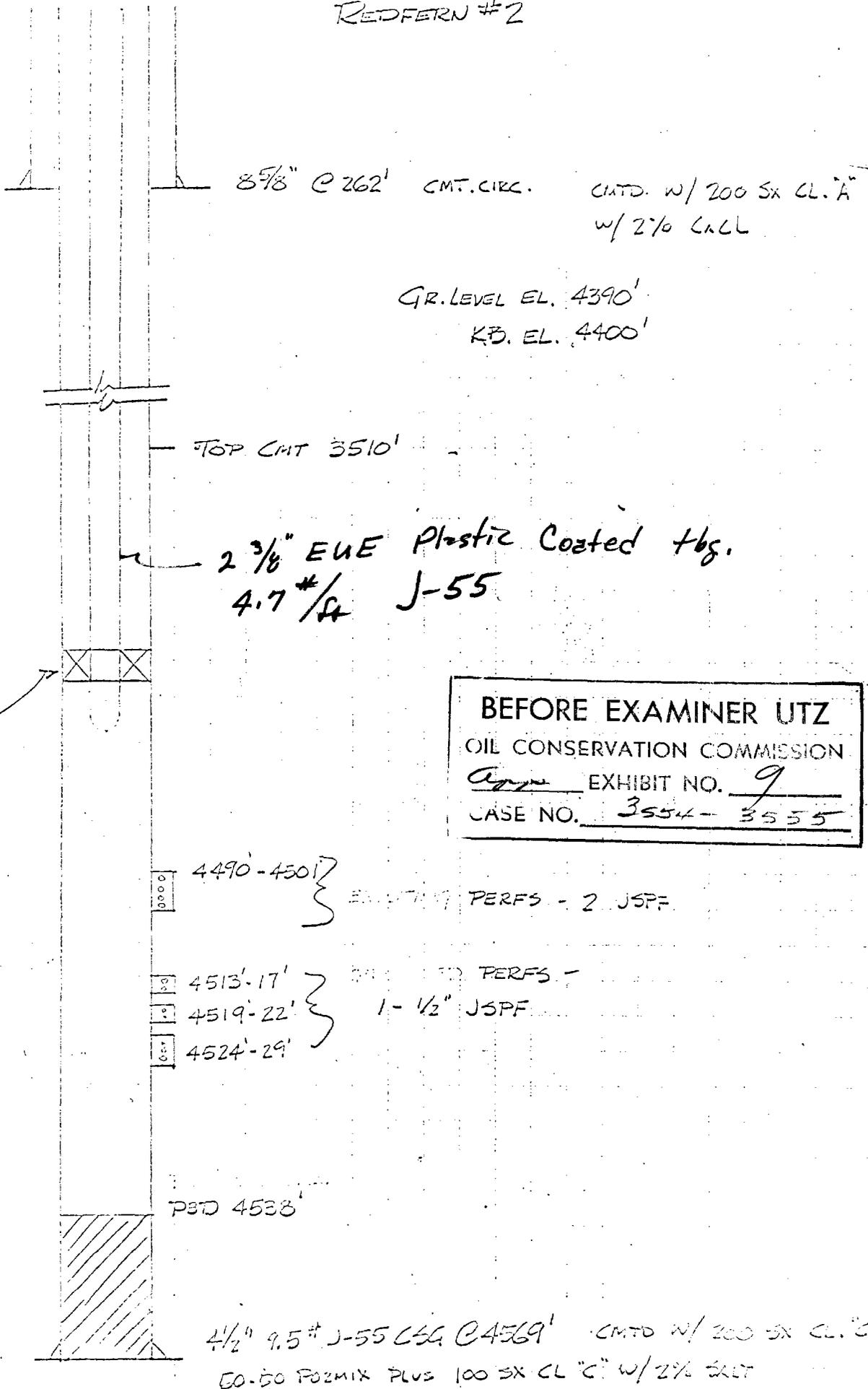
Inasmuch as this area contains State of New Mexico lands, we are sending a copy of this letter to the Commissioner of Public Lands in Santa Fe. Please contact the State of New Mexico before soliciting joinders regardless of prior contacts with or clearances from the State.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "William A. Baker".

Acting Director

REDFERN #2



8 5/8" @ 262' CMT. CIRC. CMTD. W/ 200 SX CL. "A" W/ 2% C/L

GR. LEVEL EL. 4390'
KB. EL. 4400'

TOP CMT 3510'

2 3/8" EUE Plastic Coated tbg.
4.7 #/ft J-55

2 7/8" x 4 1/2"
TENS PRZ
@ 4450'

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
App. EXHIBIT NO.	9
CASE NO.	3554-3555

4490-4501' } EXHIBIT PERFS - 2 JSPF

4513-17' } PERFS -
4519-22' } 1- 1/2" JSPF
4524-29'

PBD 4538'

4 1/2" 9.5 # J-55 CSG @ 4569' CMTD W/ 200 SX CL. "C"
EO-50 POZMIX PLUS 100 SX CL "C" W/ 2% SALT

Exhibit #9

SKELLY - STATE #5

8⁵/₈" 24[#] J-55 CSG @ 262' - CMT CIRC.
200 SX. CL. "A" W/ 2¹/₂" CACL

GROUND LEVEL EL. 4372'
DERRICK FLR. +10'

TOP CMT 3540'

2³/₈" INTERNALLY
PLASTIC COATED TBG

2³/₈" x 4¹/₂"
TENS. PKR
@ 4350'

BEFORE EXAMINER UTZ
OIL CONSERVATION DIVISION
Appl EXHIBIT 10
CASE NO. 3554 - 3555

4386'-89'
4396'-98'
4501'-05'
4409'

PERF W/
1 JSPF

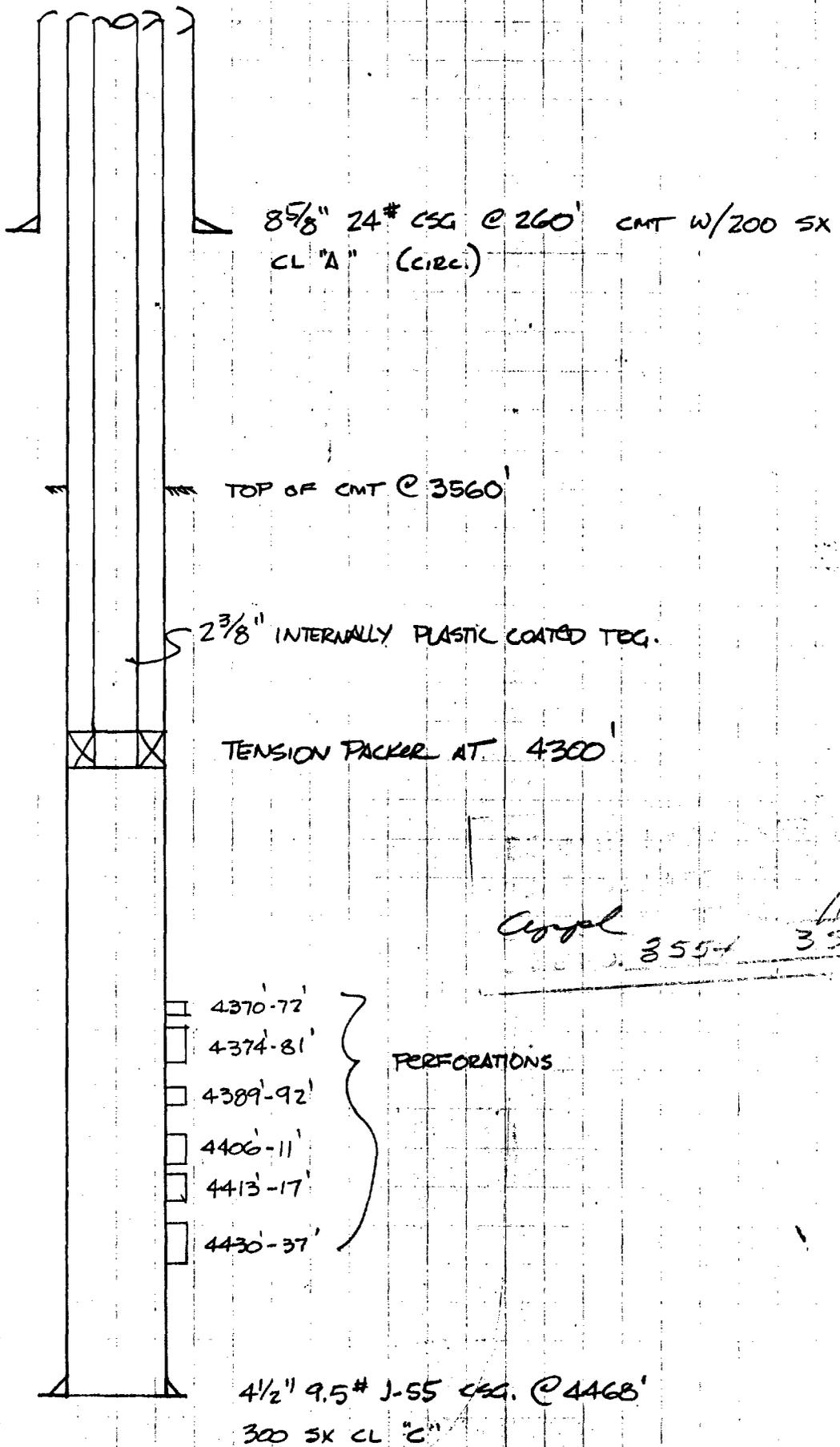
4439'-42' 2 JSPF

POD 4460'

4¹/₂" 9.5[#] & 10.5[#] CSG. @ 4554' CMT W/ 200 SX CL "C"
50-50 POZMIX PLUS 100 SX CL "C" NEAT

Exhibit #10

GONZALES - FEDERAL # 1



3554 3555

LL & E #2

8 5/8" 24# J-55 CSG @ 264' CMT CIRC.
150 SX CLASS "C" NEAT

GR. LEVEL EL. 4351'
K.B. EL. +10.5'

TOP CMT 3550'

2 3/8" INTERNALLY
PLASTIC COATED
TUBING

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 12
CASE NO. 3554-3555

2 3/8" x 4 1/2"
TENS. PK2
@ 4500'

4567-69'

4574-76'

4580-84'

PERFS -- 2 JSRF

4603'

4620'

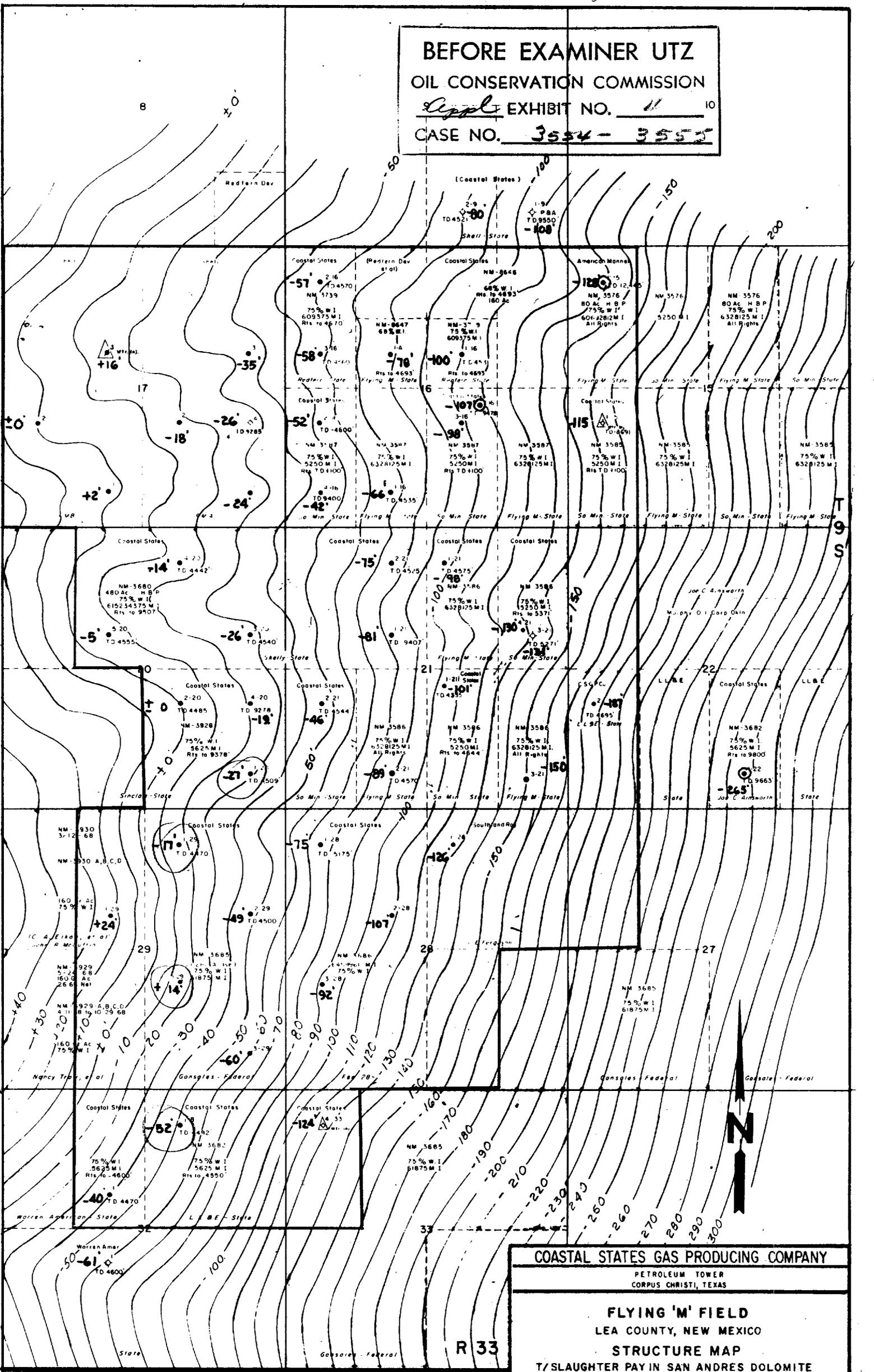
PERFS -- ONE 1/2" JSRF

PBD 4640'

4 1/2" 9.5# J-55 CSG @ 4680' CMT W/ 250 SX
CLASS "C" NEAT

Exhibit #12

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
Appl EXHIBIT NO. 11 10
 CASE NO. 3554 - 3555



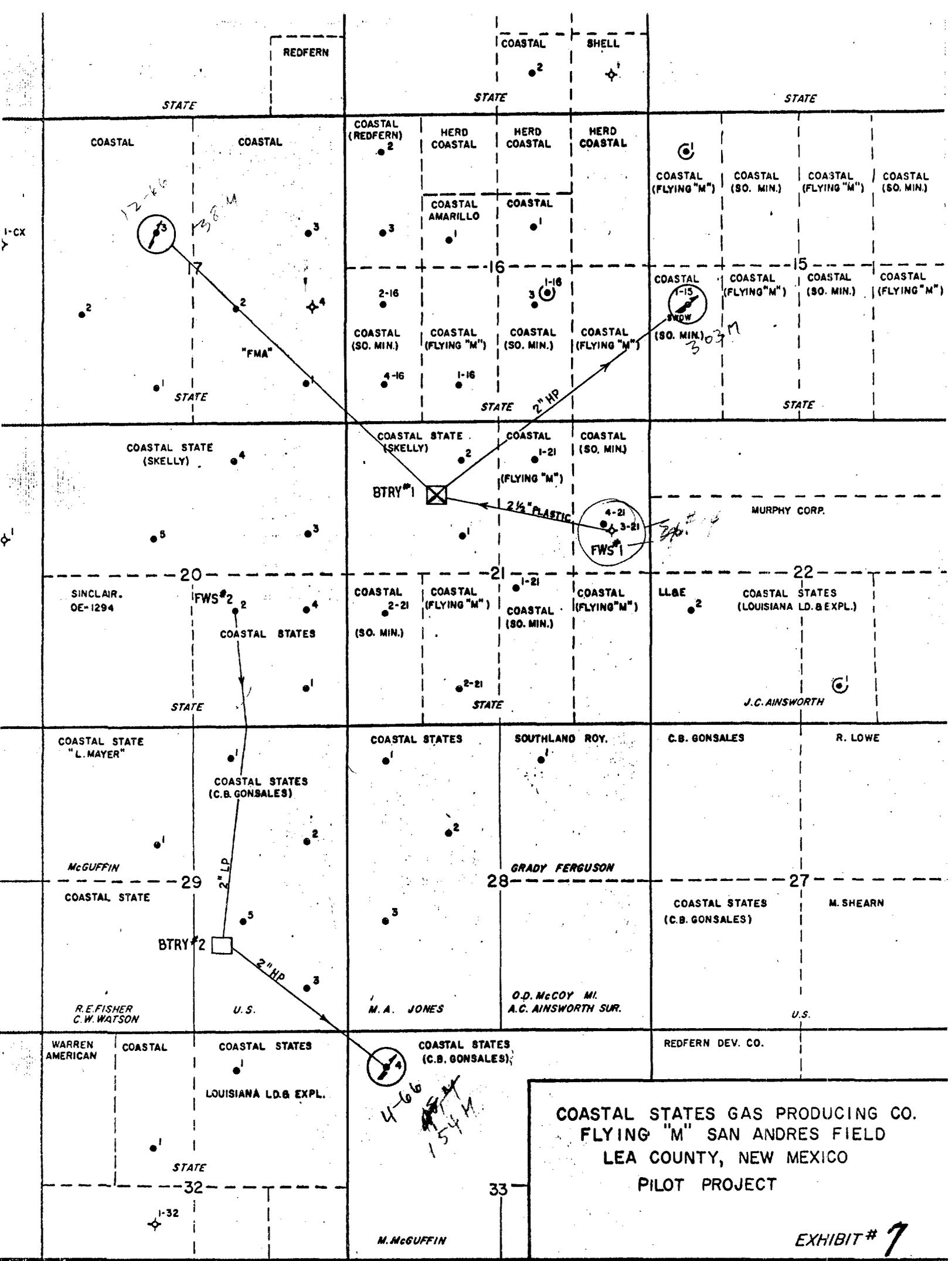
COASTAL STATES GAS PRODUCING COMPANY
 PETROLEUM TOWER
 CORPUS CHRISTI, TEXAS

FLYING 'M' FIELD
 LEA COUNTY, NEW MEXICO
 STRUCTURE MAP
 T/SLAUGHTER PAY IN SAN ANDRES DOLOMITE
 CI: 10'

R 33

0 1 2 3 4
 THOUSAND FEET
EXHIBIT 4

GEOLOGY BY J.R.B. DATE Rev. 12-66



BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
 EXHIBIT NO. 7
 CASE NO. 3554-3555

TABULATED WATER REQUIREMENTS AND FILL-UP VOLUMES
 FLYING "M" SAN ANDRES FIELD
 LEA COUNTY, NEW MEXICO
 THOUSANDS OF BBLs

	<u>EST. VOL. OF MAKE-UP WATER REQUIRED</u>	<u>EST. VOL. OF PROD. WATER RETURNED TO RESERVOIR</u>	<u>TOTAL</u>	<u>RESERVOIR VOIDAGE</u>	<u>BALANCE FILL-UP</u>	<u>CUMULATIVE* BALANCE</u>
1967	1,370	300	1,670	1,610	60	60
8	1,830	328	2,158	1,048	1,110	1,170
9	1,310	356	1,666	886	780	1,950
70	530	380	910	910	0	1,950
1	530	403	933	933	0	1,950
2	530	424	954	954	0	1,950
3	530	444	974	974	0	1,950
4	530	474	1,004	1,004	0	1,950
5	464	510	974	974	0	1,950
6	281	555	836	836	0	1,950
7	169	630	799	799	0	1,950
8	102	768	870	870	0	1,950
9	61	1,020	1,081	1,081	0	1,950
80	<u>14</u> 8,251	<u>440</u> 7,032	<u>454</u> 15,283	<u>454</u> 13,333		1,950

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
Aspl EXHIBIT NO. 13
 CASE NO. 3554 ~~3555~~

* Calculated Fill-Up Volume required to re-pressure reservoir to 1125 psi is 1,950,000 Bbls.

Martin Water Laboratories

BOX 1468 MONAHANS, TEXAS W13-3234

RESULT OF WATER ANALYSES

TO: H. Est McFarley LABORATORY NO. 46714
P. O. Box 235, Midland, Texas SAMPLE RECEIVED 4-6-67
 RESULTS REPORTED 4-7-67

COMPANY Frontal States Gas Producing Co. LEASE Flying "M"
 FIELD OR POOL Flying "M" Area

SECTION _____ BLOCK _____ SURVEY _____ COUNTY Lea STATE N. M.

SOURCE OF SAMPLE AND DATE TAKEN:

- NO. 1 Archie's water - taken from water well in Section 1 Township 11S-Range 33E. 4-6-67
- NO. 2 Produced (San Andres) water - taken from Southern Minerals State B-1. 4-6-67
- NO. 3 Produced (Bough "C" Pennsylvanian) water - taken from BTA's FMS #2 H-T. 4-6-67
- NO. 4 Produced (Bough "C" Pennsylvanian) water - taken from Midwest Oil Co's State "A" #1 H-T. 4-6-67

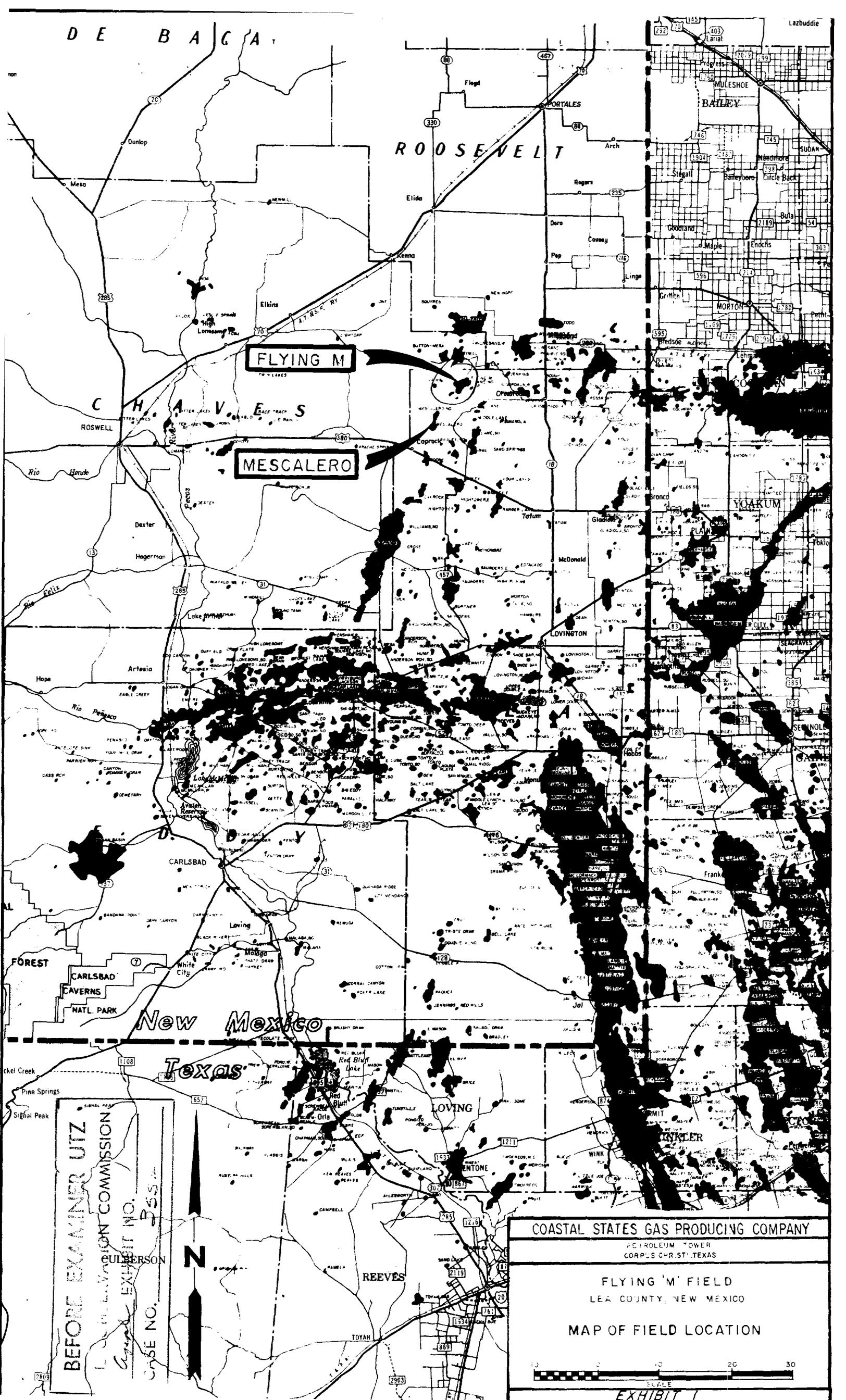
REMARKS:

CHEMICAL AND PHYSICAL PROPERTIES				
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.0046	1.1673	1.0679	1.0686
pH When Sampled				
pH When Received	7.3	6.7	7.3	7.3
Bicarbonate as HCO ₃	207	651	324	361
Supersaturation as CaCO ₃	8	282	10	16
Undersaturation as CaCO ₃	-	-	-	-
Total Hardness as CaCO ₃	535	8,450	13,800	15,500
Calcium as Ca	160	2,134	4,048	4,620
Magnesium as Mg	33	757	894	960
Sodium and/or Potassium				
Sulfate as SO ₄	372	2,980	376	573
Chloride as Cl	131 ✓	153,401 ✓	55,395 ✓	55,395 ✓
Iron as Fe	0.19	0.15	16.5	15.6
Barium as Ba	0.0	0.0	0.0	0.0
Turbidity, Electric	0.0	6.4	12.1	81.7
Color as Pt	0.75	0.75	12.0	111
Dissolved Solids at 100° C.				
Total Solids at 100° C.				
Total Solids, Calculated				
Temperature °F.				
Carbon Dioxide, Calculated	21	260	33	36
Dissolved Oxygen, Winkler	4.0	0.0	0.0	0.0
Hydrogen Sulfide	0.0	65.0	0.0	0.0
Resistivity, ohms/cm at 60° F.	8.75	0.065	0.130	0.120
Suspended Oil				

All Results Reported As Parts Per Million (mg/l)

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
 EXHIBIT NO. 14
 CASE NO. 3554 - 3555

EXHIBIT #14



FLYING M

MESCALERO

New Mexico

Texas

COASTAL STATES GAS PRODUCING COMPANY
 PETROLEUM TOWER
 CORPUS CHR. ST. TEXAS

FLYING 'M' FIELD
 LEA COUNTY, NEW MEXICO

MAP OF FIELD LOCATION



EXHIBIT 1

BEFORE EXAMINER UTZ
 FEDERAL RESERVE BANK
 FEDERAL RESERVE COMMISSION
 EXHIBIT NO. *Copy*
 CASE NO. *DSS*



PLAN OF OPERATION
FOR THE FLYING "M" (SAN ANDRES)
PRESSURE MAINTENANCE PROJECT

COASTAL STATES GAS PRODUCING COMPANY
April 24, 1967

PLAN OF OPERATION
FOR THE FLYING "M" (SAN ANDRES)
PRESSURE MAINTENANCE PROJECT

COASTAL STATES GAS PRODUCING COMPANY

April 24, 1967

ENGINEERING
OIL CONSERVATION
April 15
3000

Exhibit # 15

PLAN OF OPERATION
FOR THE FLYING "M" (SAN ANDRES)
PRESSURE MAINTENANCE PROJECT

Section 10 of the Flying "M" (San Andres) Unit Agreement specified that an initial Plan of Operation be filed with the Supervisor, Commission, and the Commissioner concurrently with the filing of the Unit Agreement for final approval; therefore, immediately following the final approval of the Unit Agreement, the following Plan of Operation will be initiated in the subject field.

Disposition of on-hand crude and inventory adjustment.

At 7:00 a.m. on the morning following the final approval of the Unit Agreement, all stock tanks located on the committed tract in the Flying "M" (San Andres) Unit will be gauged and the production credited to the former operator. All production produced following this date will be considered to be Unit production. As soon as practical, a complete inventory of all equipment will be made and an inventory adjustment will be issued to each operator.

Obtain outside source of water.

Final contracts will be drawn up and necessary right-of-way obtained in order to secure a permanent outside source of water. Construction of facilities and pipeline will begin as soon as legally possible.

Construct injection station.

The present injection facilities will be expanded to a capacity of 5280 BPD. This will require two additional 80 HP triplex pumps and natural gas engines. Additional water storage facilities will be added in order to handle separately Flying "M" (San Andres) produced water, fresh Ogallala water and Bough "C" Pennsylvanian produced water.

Convert additional injection wells.

The following wells will be converted to injection immediately:

Coastal States Gas Producing Company
L.L. & E. State No. 2 - NW/4 of SW/4 of Section 22
Redfern State No. 2 - NW/4 of NW/4 of Section 16
Skelly State No. 5 - SE/4 of NW/4 of Section 20
Gonsales Federal No. 1 - NW/4 of NE/4 of Section 29

These wells will be equipped as shown on the attached diagrammatic sketches.

Lay injection lines.

Approximately 17,000' of 2" cement lined, doped and wrapped line pipe will be layed to the new injection wells. This injection line will also be ditched and buried.

Consolidate production facilities.

Tank batteries will be consolidated where possible and the Unit Production will be sold through ACT units, *where possible.*

Records.

Accurate well tests and water injection records will be kept at all times.

Additional injection wells.

It is anticipated that one additional injection well will be needed at a later date. This additional injection well will be drilled at a location to be selected later, or a present producing well will be converted to injection.

The total number of injection wells ultimately used will be determined by our ability to inject sufficient volumes of water at reasonable pressures in order to achieve fillup and restore the reservoir pressure to 1125 psi in a two-year period. If it is determined that higher injection rates are needed in order to achieve the desired results, application will be made to the New Mexico Oil Conservation Commission to convert the additional wells to injection that will be required.

Larger pumping units.

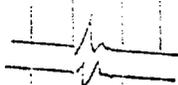
As water break ^{*through*} occurs, larger pumping units will be installed in order to pump all fluids entering the wellbore. All produced water will be returned to the reservoir.

SKELLY - STATE #5

8 5/8" 24# J-55 CSC @ 262' - CMT CIRC.
200 SX. CL. "A" W/ 2% CRCL

GROUND LEVEL EL. 4372'

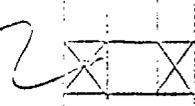
DERRICK FLR. +10'



TOP CMT 3540'

2 3/8" INTERNALLY
PLASTIC COATED TBG

2 3/8" x 4 1/2"
TENS. PKR
@ 4350'



4385'-89'

4396'-98'

4501'-05'

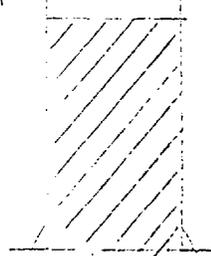
4400'

PERF W/
1 JSPE

4439'-42'

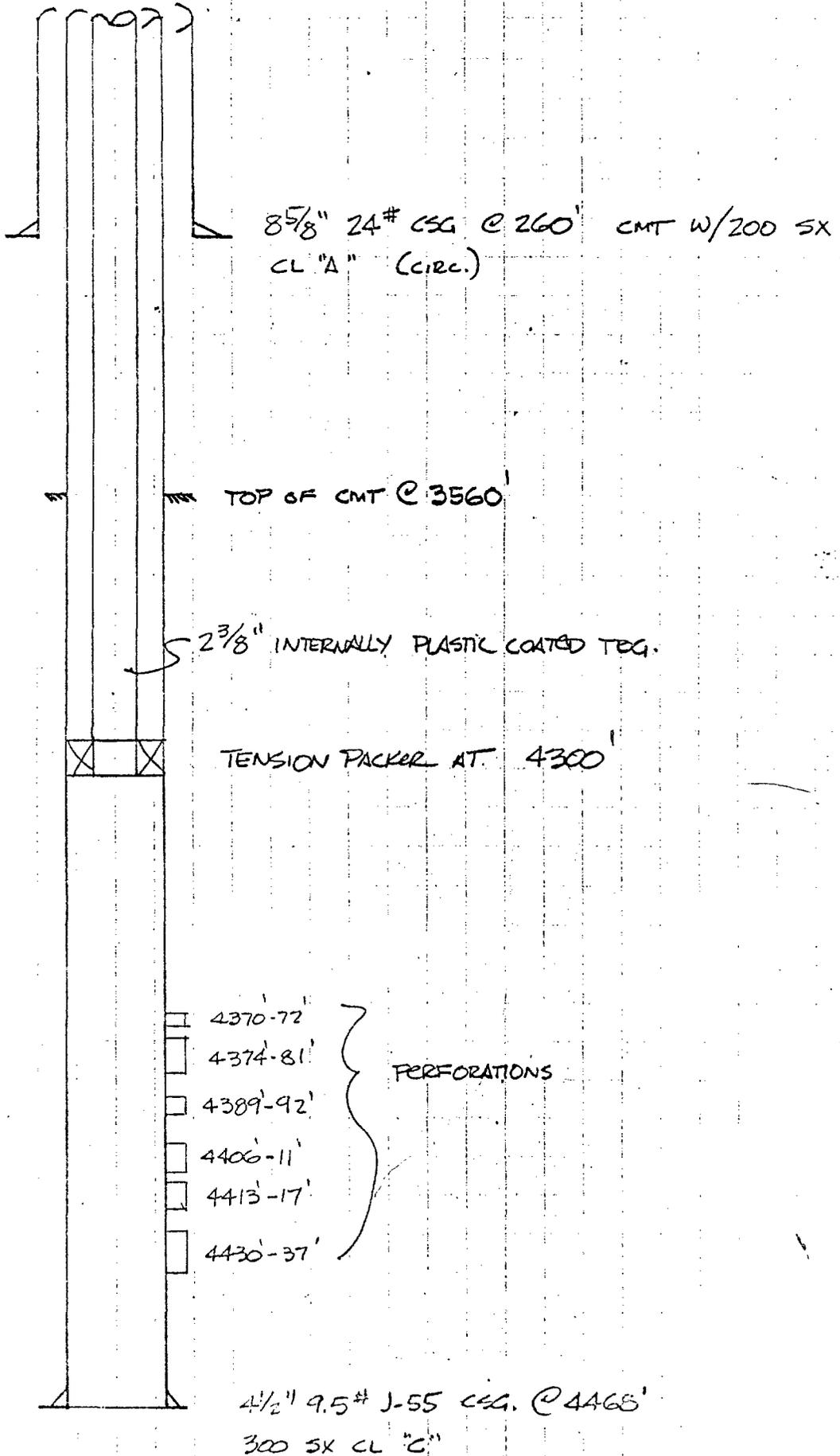
2 JSPE

POS 4440'



4 1/2" 9.5# 40.5# CSC @ 4554' CMT 4/10.5 SX CL "C"
50-50 FOZ MIX PLUS 100 SX CL "C" NEXT

GONZALES - FEDERAL # 1



LL & E #2

8 5/8" 24# J-55 CSC @ 264' CMT CIRC.
CLASS "C" NEAT

GR. LEVEL EL. 435'
K.B. EL. 710.5'

TOP CMT 3550'

2 3/8" INTERNALLY
PLASTIC COATED
TUBING

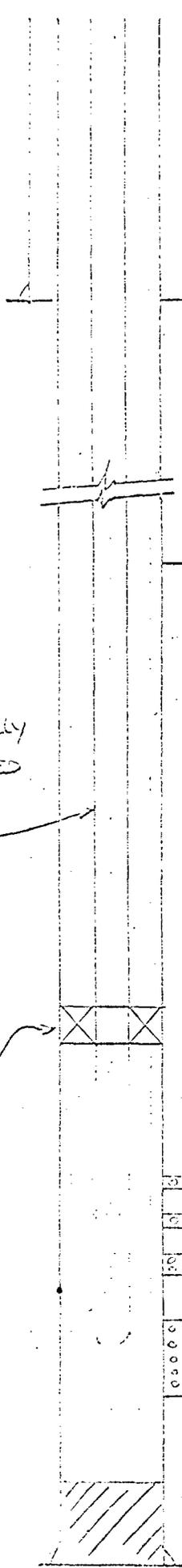
2 1/8" x 4 1/2"
TENS. PL22
@ 4500'

4567-69' } PERFORATED PERFS - 2 JSPP
4574-76' }
4580-84' }

4603' } PERFORATED PERFS - ONE - 1/2" JSPP
4620' }

PBD 4620'

2 1/2" 24# J-55 CSC @ 4630' CMT W/ 150' OR
CLASS "C" NEAT



REDFERN #2

8 5/8" @ 262' CMT. CIRC. CMTD. W/ 200 SX CL. "A"
W/ 2 1/2" C.L.L.

GR. LEVEL EL. 4390'
KB. EL. 4400'

TOP CMT 3510'

2 7/8" x 4 1/2"
TENS PKZ
@ 4450'

4490'-4501' } ENHANCED PERFS - 2 JSPF

4513'-17' }
4519'-22' } 1- 1/2" JSPF
4524'-29' }

PBD 4538'

4 1/2" 9.5" J-55 C.S.G. @ 4519' CMTD. W/ 200 SX CL. "C"
50-50 POSITIVE PLUS 100 SX CL. "C" W/ 2 1/2" C.L.L.

AGREEMENT RELATIVE TO EXPANSION OF
FLYING "M" (SAN ANDRES) UNIT AREA

THIS AGREEMENT made and entered into as of the 28th day of January, 1971, by and between the parties subscribing hereto and herein referred to as the "parties hereto".

WITNESSETH:

WHEREAS, the undersigned parties, Amarillo Oil Company, Coastal States Gas Producing Company, J. H. Herd, Murphy Oil Corporation, R. M. Richardson, Sipinam, Inc., Southland Royalty Company and Gerhardt Wagner, are the owners of working interests within the Flying "M" (San Andres) Unit Area, which is the subject of that certain Unit Agreement made and entered into as of December 1, 1966 by and between all of the above named parties except Southland Royalty Company, which was approved by the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey, and

WHEREAS, the unit operator has heretofore given notice to each working interest owner of the proposed expansion of the unit area to include the following described lands:

Township 9 South, Range 33 East

Section 29 - $W\frac{1}{2}W\frac{1}{2}$
Section 32 - $W\frac{1}{2}NW\frac{1}{4}$
Section 33 - $NE\frac{1}{4}, E\frac{1}{2}NW\frac{1}{4}, SE\frac{1}{4}$
Section 34 - $W\frac{1}{2}NW\frac{1}{4}$

Township 10 South, Range 33 East

Section 4 - $NE\frac{1}{4}$

WHEREAS, on October 9, 1970, the Commissioner of Public Lands of the State of New Mexico and on November 2, 1970 the Acting Director of the Geological Survey gave preliminary concurrence of the proposed expansion, and

WHEREAS, all of the undersigned parties have been furnished with revised copies of Exhibit "B" showing the percentage of participation of the respective tracts under Phase I and Phase II which will be applicable upon the effective date of the expansion of the unit area, and

WHEREAS, all of the undersigned parties have heretofore executed Consents and Ratifications of the unit agreement and unit operating agreement covering the expanded area, and

WHEREAS, in connection with the expansion of the unit area certain tracts which lie within the original unit area and which had not been previously committed to the agreement are being committed by the working interest owners, said tracts being Nos. 24, 26, 27, and 28, and

WHEREAS, as to Tract 24, 20.063496% of the royalty owners have not consented to or ratified the unit agreement and as to Tracts 26, 27, and 28, the owners of a 1% overriding royalty or production payment payable out of 1% have not consented to or ratified the unit agreement, and

WHEREAS, in connection with Tract No. 34 which is in the proposed expanded area, 20.063496% of the royalty owners have not consented to or ratified the unit agreement, and

WHEREAS, Section 12 of the unit agreement provides that the working interest owners committing tracts in which 75% of the royalty owners but less than 100% have consented to or ratified the unit agreement shall indemnify and hold harmless all of the other working interest owners in and to the unit agreement in a manner satisfactory to 85% of the working interest owners committing interests to the unit agreement and that said 85% interest shall approve the commitment of such tracts to the unit agreement, and

WHEREAS, the parties hereto are desirous of complying with the provisions of Section 12 of the unit agreement;

NOW THEREFORE, it is mutually agreed by and between the undersigned parties hereto as follows:

1. The parties hereto respectively who are the owners of working interest in and to Tracts 24, 26, 27, 28, and 34, do hereby agree to indemnify and hold harmless all other parties hereto against

any and all claims and demands that may be made by the non-joining royalty owners resulting from the commitment and joinder of said tracts to the unit agreement and the operation thereof in accordance with the terms and conditions of the unit agreement and unit operating agreement and all of the parties hereto approved the commitment of such tracts to the unit agreement.

2. That the parties hereto waive the giving of any further notice by the unit operator in connection with the expansion of the unit area which may be required under the provisions of Section 3 of the unit agreement and agree that the unit expansion and the commitment of Tracts 24, 26, 27, and 28, as shown on Exhibit "B" attached to the unit agreement shall be effective as of the first day of the month following approval of the expansion by the Commissioner, Commission and Director.

3. The undersigned further authorize the unit operator to file for approval with the Commissioner of Public Lands, the New Mexico Oil Conservation Commission and the Director of the Geological Survey an application for approval of such expansion together with an executed copy of this instrument, and such other instruments as may be required for approval.

4. The provisions hereof shall extend to the heirs, personal representatives, successors and assigns of the parties hereto.

5. This agreement may be signed in counterpart and shall be binding upon the parties and upon their heirs, successors, representatives, and assigns.

IN WITNESS WHEREOF, this agreement is executed as of the day and year first hereinabove written.

ATTEST: 
Secretary
H. T. Wilkins, Jr., Ass't. Secretary

AMARILLO OIL COMPANY
By 
~~President~~
Wm. L. Darrah, Vice President

ATTEST:

Secretary

COASTAL STATES GAS PRODUCING COMPANY
By _____
President

any and all claims and demands that may be made by the non-joining royalty owners resulting from the commitment and joinder of said tracts to the unit agreement and the operation thereof in accordance with the terms and conditions of the unit agreement and unit operating agreement and all of the parties hereto approved the commitment of such tracts to the unit agreement.

2. That the parties hereto waive the giving of any further notice by the unit operator in connection with the expansion of the unit area which may be required under the provisions of Section 3 of the unit agreement and agree that the unit expansion and the commitment of Tracts 24, 26, 27, and 28, as shown on Exhibit "B" attached to the unit agreement shall be effective as of the first day of the month following approval of the expansion by the Commissioner, Commission and Director.

3. The undersigned further authorize the unit operator to file for approval with the Commissioner of Public Lands, the New Mexico Oil Conservation Commission and the Director of the Geological Survey an application for approval of such expansion together with an executed copy of this instrument, and such other instruments as may be required for approval.

4. The provisions hereof shall extend to the heirs, personal representatives, successors and assigns of the parties hereto.

5. This agreement may be signed in counterpart and shall be binding upon the parties and upon their heirs, successors, representatives, and assigns.

IN WITNESS WHEREOF, this agreement is executed as of the day and year first hereinabove written.

ATTEST: AMARILLO OIL COMPANY

Secretary By _____
President

ATTEST: COASTAL STATES GAS PRODUCING COMPANY
[Signature] ✓ By *[Signature]*
Secretary Vice-President



ATTEST:

[Handwritten signature]

ASSISTANT Secretary

MURPHY OIL CORPORATION

✓ By *[Handwritten signature]*
Senior Vice President

ATTEST:

Secretary

SIPINAM, INC.

By _____
President

ATTEST:

Secretary

SOUTHLAND ROYALTY COMPANY

By _____
President

J. H. HERD

R. M. RICHARDSON

GERHARDT WAGNER

STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by _____ of Amarillo Oil Company, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by _____ of Coastal States Gas Producing Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

STATE OF Arkansas)
: ss
COUNTY OF Union)

The foregoing instrument was acknowledged before me this 10th day of February, 1971 by CHARLES J. HOKE Senior Vice President of Murphy Oil Corporation, a Delaware corporation, on behalf of said corporation.

My Commission Expires: _____
✓ Mabel Powell
Notary Public

MABEL POWELL
Notary Public and for Union County, Ark
Residing at El Dorado, Arkansas
My commission expires Jan. 10, 1974

STATE OF New York)
COUNTY OF New York : ss

The foregoing instrument was acknowledged before me this 9 day of March, 1971 by Gerhardt Wagner, President of Sipinam, Inc., a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Darlington F. Butler
Notary Public

STATE OF _____)
COUNTY OF _____ : ss

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by _____ of Southland Royalty Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____)
COUNTY OF _____ : ss

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by J. H. Herd.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO)
COUNTY OF CHAVES : ss

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by R. M. Richardson.

My Commission Expires: _____

Notary Public

STATE OF New York)
COUNTY OF New York : ss

The foregoing instrument was acknowledged before me this 9 day of March, 1971 by Gerhardt Wagner.

My Commission Expires: _____

Darlington F. Butler
Notary Public
BARTHOLOMEW P. BUTLER
Notary Public, State of New York
No. 4200-1-25
Qualified in Queens County
Cert. Filed in New York County
Commission Expires March 30, 1971.

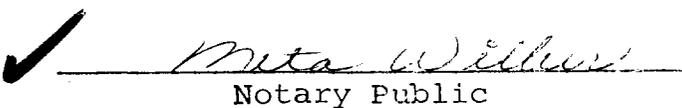
STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by _____, President of Sipinam, Inc., a _____ corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

STATE OF TEXAS)
: ss
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 12th day of February, 1971 by John C. Harvey, _____ of Southland Royalty Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires: _____
META WILBER, Notary Public
In and for Tarrant County, Texas
My commission expires June 1, 1971

Notary Public

STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by J. H. Herd.

My Commission Expires: _____
Notary Public

STATE OF NEW MEXICO)
: ss
COUNTY OF CHAVES)

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by R. M. Richardson.

My Commission Expires: _____
Notary Public

STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1971 by Gerhardt Wagner.

My Commission Expires: _____
Notary Public

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO X
 X KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA X

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.
- E. Unit Operating Agreement, Flying "M" (San Andres) Unit, Lea County, New Mexico, dated December 1, 1966, covering Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the

RECEIVED
NOV 10 1977
DIVISION OFFICE

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
WILCO BUILDING
MIDLAND, TEXAS
79701

April 15, 1971

APR 19 1971

NOV 11 1977
3

(See ~~Attached Mailing List~~)

Re: Termination of Phase I, beginning
of Phase II, Flying "M" San Andres
Unit

Gentlemen:

According to the Flying "M" San Andres Unit Agreement, Paragraph 2,(o), Phase I is defined as that period of time until the total amount of Unit Area Remaining Primary Reserves is produced.

Paragraph 2,(r), defines Unit Area Remaining Primary Reserves as the estimated number of barrels of oil heretofore approved by the working interest owners as remaining oil reserves from the unitized formation. The number determined by the Engineering Committee and approved by the working interest owners was 3,000,000 barrels.

The available data indicates that 3,000,000 barrels have been produced from the Expanded Unit Area as of April 1, 1971. You are therefore notified that Phase I terminated as of the last day of March, 1971.

Paragraph 2,(p), defines Phase II as the remainder of the term of this agreement after the termination of Phase I. Therefore as of the first day of April, 1971, the Flying "M" San Andres Unit will be operating under Phase II participation.

Attached is a plat showing the Expanded Unit Area and a tabulation of the tract participation under Phase II.

Very truly yours,

Original Signed by
JACK R. McGRAW

Jack R. McGraw
Division Engineer

JRMCG:sg

Attachments

cc: New Mexico Oil Conservation Commission ✓
P. O. Box 2088
Santa Fe, New Mexico 87501

State Land Office
Box 1148
Santa Fe, New Mexico 87501

U.S.G.S.
Box 1857
Roswell, New Mexico 88201

FLYING "M" (SAN ANDRES) UNIT
WORKING INTEREST OWNERS

MAILING LIST

Amarillo Oil Company
P. O. Box 151
Amarillo, Texas 79100
Attention B. L. Payne

Sipanam, Inc.
630 Fifth Avenue, Room 3007
New York, New York 10020

J. H. Herd
P. O. Box 121
Midland, Texas 79701

Dr. Gerhard Wagner
630 Fifth Avenue, Room 3007
New York, New York 10020

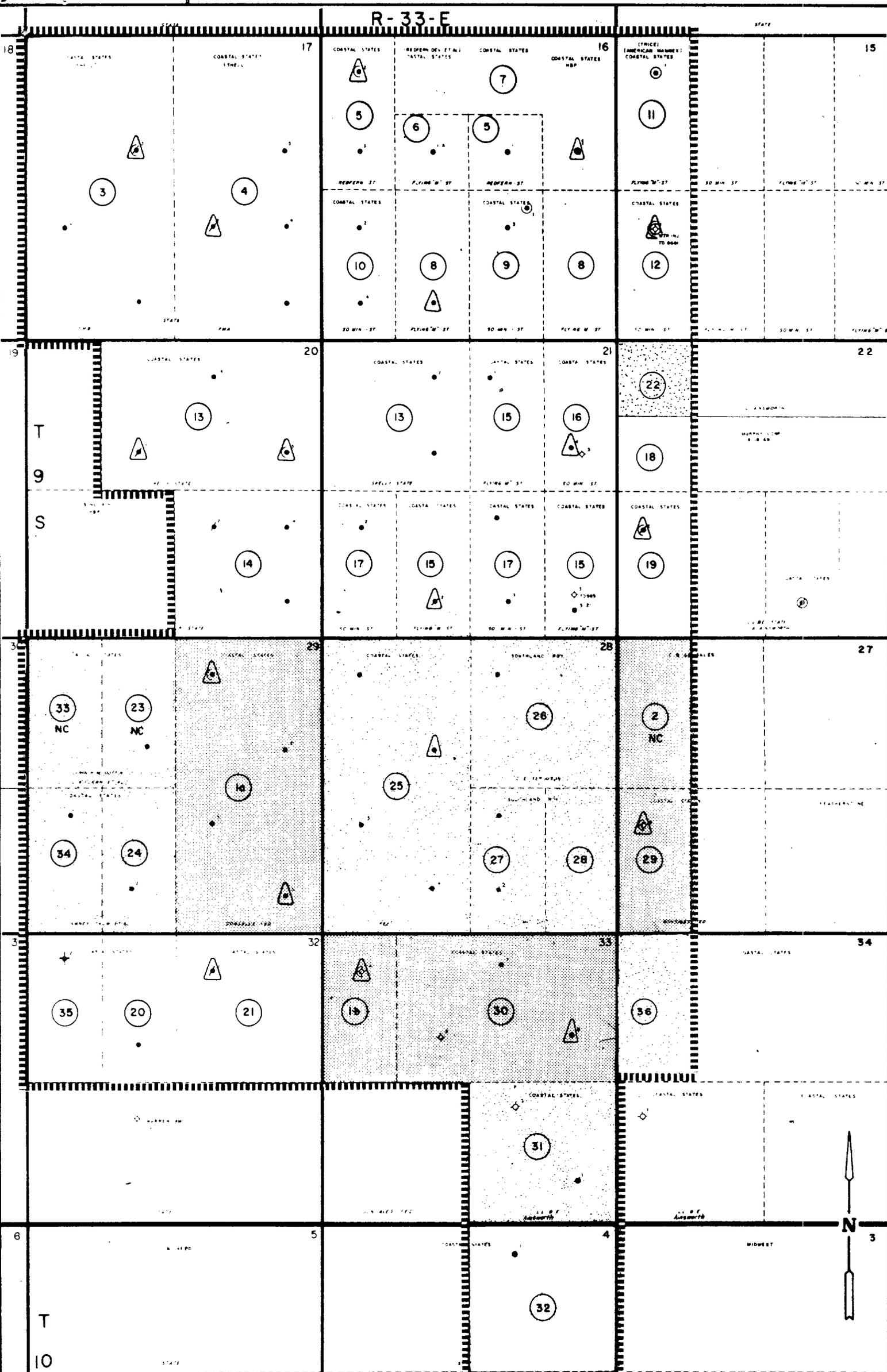
Murphy Oil Corporation
200 Jefferson Avenue
El Dorado, Arkansas 71730
Attention Alvin W. Simpson

Southland Royalty Company
1405 Wilco Building
Midland, Texas 79701
Attention Alton C. Goodrich

PHASE II PARTICIPATION
EXPANDED FLYING "M" SAN ANDRES UNIT

<u>Tract No.</u>	<u>Phase II Participation</u>
1a	6.4381
1b	.1580
3	5.3315
4	6.8126
5	3.4722
6	.6299
7	.5286
8	3.3328
9	3.2441
10	4.1383
11	.0621
12	.2790
13	14.4994
14	3.0832
15	8.7822
16	1.6418
17	6.0505
18	.2008
19	.7930
20	.8930
21	1.1549
22	.1795
24	1.8592
25	9.9377
26	3.5723
27	3.3830
28	.2936
29	0.0
30	3.7390
31	1.4221
32	1.6599
34	2.1065
35	.2441
36	.0771
	<hr/> 100.0000

R-33-E



COASTAL STATES GAS PRODUCING CO.
 FLYING "M" SAN ANDRES UNIT
 LEA COUNTY, NEW MEXICO
 UNIT BOUNDARY

○ TRACT NUMBER REVISED EXHIBIT "A"
 △ INJECTION WELL

REV. DATE 4-14-71

NC - NON COMMITTED TRACTS

R-33-E

	State 60.152%
	Federal 15.627%
	Fee 24.221%

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER
STUART D. SHANOR

LAW OFFICES
HINKLE, BONDURANT & CHRISTY
600 HINKLE BUILDING
ROSWELL, NEW MEXICO 88201

May 16, 1967

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) MU 3-4691
OF COUNSEL: HIRAM M. DOW

TELEPHONE (505) 622-6510
POST OFFICE BOX 10

3234

Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico

Re: Flying "M"-San Andres Unit

Gentlemen:

The above unit agreement was approved by the Acting Director of the United States Geological Survey on May 12 and we enclose copy with Certificate of Approval of the Director attached for your files, which I believe completes this matter.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By 

CEH:cs

Enc.

cc: E. A. Morton



CERTIFICATION - DETERMINATION

No. 14-08-0001 8852

Pursuant to the authority vested in the Secretary of Interior as to Federal lands, under the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C.F.R. Sec. 4.611, 12 F.R. 6784, I do hereby:

A. Approve the attached agreement for the development and operation of the Flying "M" - San Andres Unit Area, Lea County, New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

MAY 12 1967

Dated

Arthur A. Baker

ACTING DIRECTOR, UNITED STATES
GEOLOGICAL SURVEY

FLYING "M" - SAN ANDRES UNIT AGREEMENT
LEA COUNTY, NEW MEXICO

RECEIVED
APR 28 1967
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

THIS AGREEMENT entered into as of the 1st day of December 1966, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as "parties hereto".

W I T N E S S E T H:

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. Sec. 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 co-operative 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 (Sec. 7-11-39 N. M. Statutes 1953 Annotated) to consent to or approve this agreement on behalf of the State of New Mexico insofar as it covers and includes lands and mineral interests of the State of New Mexico; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 7-11-41 N. M. Statutes 1953 Annotated) to amend, with the approval of the lessee, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the terms of such unitized development and operation of State lands, and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by an Act of the Legislature (Article 3, Chapter 65, Vol. 9, Part 2, 1953 Statutes) to approve this agreement and the conservation provisions hereof, and

WHEREAS, the parties hereto hold sufficient interests in the Flying "M" - San Andres 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 interests in the below-defined unit area, and agree severally among themselves as follows:

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 State of New Mexico and privately owned 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 of New Mexico are hereby accepted and made a part of this agreement.

2. DEFINITIONS. For the purpose of this agreement, the following terms and expressions as used herein shall mean:

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

(b) "Commission" is defined as the Oil Conservation Commission of the State of New Mexico.

(c) "Director" is defined as the Director of the United States Geological Survey.

(d) "Secretary" is defined as the Secretary of the Interior of the United States of America.

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

(f) "Supervisor" is defined as the Oil and Gas Supervisor of the United States Geological Survey.

(g) "Unitized Formation" shall mean that subsurface portion of the unit area commonly known as the San Andres Slaughter zone and more specifically defined as that formation occurring between the depths below rotary drive bushing according to the well logs described below:

<u>Operator</u>	<u>Location, Lease and Well Number</u>	<u>Top of Unitized Formation</u>	<u>Base of Unitized Formation</u>	<u>Type Log</u>
CSGPC	Skelly State #1 1978' FNL & 1993' FWL Sec. 21, T9S-R33E	4456 ft.	4560 ft.	Schlumberger Gamma Ray-Neutron, dated 9/23/63
CSGPC	Southern Minerals State 21-#4 1904' FNL & 845' FEL Sec. 21, T9S-R33E	4494 ft.	4600 ft.	Schlumberger Sonic Gamma Ray, dated 2/23/66

<u>Operator</u>	<u>Location, Lease and Well Number</u>	<u>Top of Unitized Formation</u>	<u>Base of Unitized Formation</u>	<u>Type Log</u>
Shell Oil	State "FMB" #3 1980 FN & WL Sec. 17, T9S-R33E	4406 ft.	4509 ft.	Schlumberger Sonic Gamma Ray, dated 12/13/64

(h) "Unitized Substances" is defined as and shall mean all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate and all associated and constituent liquids or liquefiable hydrocarbons within or produced from the Unitized Formation.

(i) "Working Interest" is defined as 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, or otherwise held.

(j) "Working Interest Owner" is defined as and shall mean 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, 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, operating and producing the Unitized Substances from the Unitized Formation.

(k) "Royalty Interest" or "Royalty" is defined as 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 lessors in oil and gas leases and any overriding royalty interest, oil payment interest, net profit contract, or any other payment or burden which does not carry with it the right to search for and produce Unitized Substances.

(l) "Royalty Owner" is defined as and shall mean the owner of a Royalty Interest.

(m) "Unit Operating Agreement" is defined as and shall mean any agreement or agreements (whether one or more) entered into (separately or collectively) by and between the Unit Operator and the Working Interest Owners as provided in Section 8, infra, and shall be styled "Unit Operating Agreement, Flying "M" - San Andres Unit, Lea County, New Mexico."

(n) "Paying Quantities" is defined as production of Unitized Substances in quantities sufficient to pay for the cost of producing same from wells on the unitized land.

(o) "Phase I" is defined as that period of time that Unitized Substances are produced from the unit area from and after the effective date of this agreement until 7:00 a.m. the first day of the calendar month ensuing after 3,000,000 barrels of oil minus the gross oil production from February 24, 1964 to the effective date of this agreement have been produced from the Unitized Formation. For the purposes of this definition the Operator's Monthly Report, Form C-115, filed with the New Mexico Oil Conservation Commission shall be deemed the controlling evidence of the production of 3,000,000 barrels of oil after February 24, 1964.

(p) "Phase II" is defined as the remainder of the term of this agreement after the expiration of Phase I.

(q) "Current Rate" is defined as the total amount of San Andres oil produced from any tract within the unit area during the period of May 1, 1966 through October 31, 1966; however, in the event any well did not produce for the full said six month period, the production for any full month or months within such period that the well actually produced multiplied by the ratio of six (6) divided by the number of full months of actual production shall be the current rate.

The current rate for any well completed after October 31, 1966 and prior to the effective date of this unit that has produced San Andres oil shall be calculated on the basis of the first full month of production from such well as witnessed and reported by a consultant Registered Professional Engineer of the State of New Mexico and witnessed by a representative of the New Mexico Oil Conservation Commission.

(r) "Productive Acres" for each tract is shown on the schedule attached hereto as Exhibit "B".

(s) "Tract Ultimate Primary Reserves" is defined as the cumulative oil produced from each tract plus the remaining primary oil reserves from said tract.

(t) "Tract Remaining Primary Reserves" is defined as each tract's percentage of current rate multiplied by the number of barrels as defined in Section 2(o).

(u) "Tract Cumulative Production" is defined as the total amount of San Andres oil produced from February 24, 1966, as reported on the Operator's Monthly Production Reports, Form C-115, on file with the New Mexico Oil Conservation Commission through the effective date of the unit.

3. UNIT AREA. The following described land is hereby designated and recognized as constituting the unit area:

Township 9 South, Range 33 East, N.M.P.M.

Section 15 - W1/2W1/2	Section 27 - W1/2NW1/4
Section 16 - All	Section 28 - N1/2, SW1/4, W1/2SE1/4
Section 17 - All	Section 29 - E1/2, E1/2W1/2
Section 20 - E1/2, E1/2NW1/4	Section 32 - NE1/4, E1/2NW1/4
Section 21 - All	Section 33 - W1/2NW1/4
Section 22 - W1/2W1/2	

containing 4,080 acres, more or less.

Exhibit "A" attached hereto is a map showing, to the extent known to the Unit Operator, the unit area and the boundaries and identity of tracts and leases in said unit area. Exhibit "B" attached hereto is a schedule showing, to the extent known to the Unit Operator, the acreage comprising each tract, the acreage in each tract deemed productive, percentage of ownership of each Working Interest Owner in each tract, the ownership of the Royalty and Record Title Interest in each tract and the percentage of participation each tract has in the unit area. 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. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes render such revision necessary, and at least two copies of such revision shall be filed with the Commissioner, and not less than six copies thereof shall be filed with the Supervisor.

The above described unit area may, when practicable, be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this agreement to conform with the purposes of this agreement. 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 to each Working Interest Owner of the proposed expansion, setting out the basis for admission, the unit participation to be assigned to such tract or tracts, and other pertinent data. After negotiation (at Working Interest Owners' meeting or otherwise), if 90 per cent of the Working Interest Owners (on the basis of unit participation for Phase II) have agreed to such tract or tracts being brought into the unit, then Unit Operator shall, after preliminary concurrence by the Commissioner and the Director:

(1) Prepare a notice of proposed expansion describing the contemplated changes in the boundaries of the unit area, the reason therefor, the basis for admission of the additional tract or tracts, the unit participation to be assigned thereto and the proposed effective date thereof, preferably the first day of a month subsequent to the date of notice; and

(2) Deliver copies of said notice to the Commissioner, the Director, each Working Interest Owner (mailing a copy of such notice to the last known address of each such Working Interest Owner) and to the 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, for approval, upon the expiration of said thirty (30) day period as set out in (2) immediately above, with the Commissioner, the Commission and the Director the following: (a) comprehensive statement as to mailing such notice of expansion; (b) sufficient copies of an application for such expansion; and (c) sufficient copies of an instrument containing the appropriate joinders in compliance with the participation requirements of Section 12, *infra*.

The expansion shall, after due consideration of all pertinent information and upon approval by the Commissioner, the Commission and the Director, become effective as of the date prescribed in the notice thereof or on such other date as set by the Commissioner, the Commission and the Director in the order or instrument approving such expansion.

4. UNITIZED LAND AND UNITIZED SUBSTANCES. All lands committed to this agreement as to the Flying "M" - San Andres formation as defined under "Unitized Formation" shall constitute land referred to herein as "Unitized Land" or "land subject to this agreement." All oil and gas in or produced from said Unitized Formation of the "Unitized Land" are unitized under the terms of this agreement and herein are called "Unitized Substances." Surface rights of ingress and egress shall be maintained for the benefit of the unit.

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.

5. UNIT OPERATOR. Coastal States Gas Producing Company with offices at Corpus Christi, Texas, is hereby designated as Unit Operator, and by signing this instrument as Unit Operator it 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, and the term "Working Interest Owner" when used herein shall include or refer to Unit Operator as the owner of a Working Interest when such an interest is owned by it.

6. 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 ninety (90) days after notice of intention to resign has been served by Unit Operator on all Working Interest Owners, the Commissioner and the Director, and until all wells then drilled hereunder are placed in a satisfactory condition for suspension or abandonment whichever is required by the Supervisor and Commissioner, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

The resignation of Unit Operator shall not release Unit Operator from any liability for any default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interests determined in like manner as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Director and the Commissioner.

In all instances of resignation or removal, until a successor Unit Operator is selected and approved as hereinafter provided, the Working Interest Owners shall be jointly responsible for performance of the duties of Unit Operator and shall, not later than 30 days before such resignation or removal becomes effective, appoint a common agent 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 equipment, books and records, materials, appurtenances and any other assets used in conducting the unit operations and owned by the Working Interest Owners (including any and all data and information which it might have gained or assembled by reason of its operation of the unit area) to the new duly qualified successor Unit Operator or to the owners thereof if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

7. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender its resignation as Unit Operator or shall be removed as hereinabove provided, or a change of Unit Operator is negotiated by Working Interest Owners, the owners of the working interests, voting according to their respective participating interests in all unitized land, shall by majority vote select a successor Unit Operator. Provided, That, if a majority or in excess thereof of the working interests qualified to vote are owned by one party to this agreement, a concurring vote of one or more additional Working Interest Owner shall be required to select a new Unit Operator. Such selection shall not become effective until:

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

(b) the selection shall have been filed with the Supervisor and approved by the Commissioner. If no successor Unit Operator is selected and qualified as herein provided, the Director and Commissioner at their election may declare this unit agreement terminated.

8. 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 independent 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 Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the Unit Operating Agreement this Unit Agreement shall prevail. Two true copies of any Unit Operating Agreement executed pursuant to this section shall be filed with the Commissioner and three true copies thereof shall be filed with the Supervisor prior to approval of this agreement.

9. 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 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. 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 his capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

10. PLAN OF OPERATIONS. It is recognized and agreed by the parties hereto that a large percentage of the land subject to this agreement is reasonably proved to be productive of Unitized Substances in paying quantities and that the object and purpose of this agreement is to formulate and to put into effect a pressure maintenance and secondary recovery project in order to effect additional recovery of Unitized Substances, prevent waste and conserve natural resources. The parties hereto agree that the Unit Operator may, subject to the consent and approval of a plan of operation by the Working Interest Owners, the Supervisor, the Commission and the Commissioner, inject into the Unitized Formation, through any well or wells completed therein, brine, water, air, gas, oil, liquefied petroleum gas, and any

other substance or a combination of any of said substances, whether produced from the Unit Area or not, and that the location of input wells and the rate of injection therein and the rate of production shall be governed by standards of good geologic and petroleum engineering practices and conservation methods. After commencement of pressure maintenance and secondary recovery operations, Unit Operator shall furnish the Commission, the Commissioner, and the Supervisor monthly injection and production reports for each well in the unit. The Working Interest Owners, the Supervisor, the Commission, and the Commissioner shall be furnished periodical reports on the progress of the plan of operation and any revisions or changes thereto; provided, however, that any major revisions of the plan of operation involving a basic deviation from the initial plan of operation shall be subject to the consent and approval of the Working Interest Owners, the Supervisor, the Commission and the Commissioner.

The initial plan of operation shall be filed with the Supervisor, the Commission and the Commissioner concurrently with the filing of this Unit Agreement for final approval. Said initial plan of operation and all revisions thereof shall be as complete and adequate as the Supervisor, the Commission and the Commissioner may determine to be necessary for timely operation consistent herewith. Reasonable diligence shall be exercised in complying with the obligations of the approval plan of operation.

Notwithstanding anything to the contrary herein contained, the Unit Operator shall commence pressure maintenance and secondary recovery operations on the unit area within six (6) months after the effective date of this agreement, or any extension thereof approved by the Commission, the Commissioners and the Director, or this agreement shall terminate automatically, in which latter event Unit Operator shall notify all interested parties. After such operations are commenced, Unit Operator shall carry on such operations as would a reasonably prudent operator under the same or similar circumstances.

11. TRACT PARTICIPATION. The last page of Exhibit "B" attached hereto shows the percentage of participation allocated to each tract in the unit area during Phase I and during Phase II, as defined in subsections (o) and (p) specifically of Section 2 hereof. The formula as used for the calculations of such percentages of participation are as follows:

(a) Phase I participation of each tract, beginning at 7:00 a.m. on the effective date hereof and until 7:00 a.m. on the first day of the month next following the date when cumulative oil production from all of the tracts described in Exhibit "B" from the Unitized Formation subsequent to 7:00 a.m. February 24, 1964 equals 3,000,000 barrels, shall be equal to seventy-five per cent (75%) of the ratio of the current rate of production of Unitized Substances from each tract to the total current rate of production of Unitized Substances from all such tracts plus twenty-five per cent (25%) of the ratio of the productive acreage of each tract to the total productive acreage of all such tracts.

(b) Phase II participation of each tract beginning at 7:00 a.m. on the first day of the month following the date when the 3,000,000 barrels referred to above shall have been produced, shall be equal to seventy-five per cent (75%) of the ratio of the ultimate primary production from each of such tracts, to the total ultimate primary production of all such tracts plus twenty-five per cent (25%) of the ratio of the productive acreage of each tract to the total productive acreage of all such tracts.

The percentages of participation set forth opposite each tract on the last page of Exhibit "B" were calculated on the basis of 100% tract commitment. If the Unit Agreement is approved with less than 100% tract commitment, said percentages of participation shall be revised to reflect the commitment status as of the effective date hereof, and thereafter, as needed, pursuant to Section 13 (Allocation of Unitized Substances).

12. TRACTS QUALIFIED FOR UNIT PARTICIPATION. As the objective of this unit agreement is to have lands in the unit area operated and entitled to participation under the terms hereof, it is agreed that, notwithstanding anything else herein, no joinder shall be considered a commitment to this unit agreement unless the tract involved is qualified under this section.

On and after the effective date hereof the tracts within the unit area which shall be entitled to participation (as provided in Section 11 hereof) in the production of Unitized Substances therefrom shall be those tracts within the unit area and more particularly described in said Exhibit "B" that are qualified as follows (the Record Interest shall supplant the royalty interest as to Federal land for the purposes of this section):

(a) Each and all of those tracts as to which Working Interest Owners owning 100% of the working interest in said tract and royalty owners owning 100% of the royalty interest in said tract have subscribed, ratified or consented to this agreement; and

(b) Each and all of those tracts as to which Working Interest Owners owning not less than 95% of the working interest therein and royalty owners owning not less than 75% of the royalty interest therein have executed this agreement, and in which the Working Interest Owners in said tract who have executed this agreement have agreed to indemnify and hold harmless all other parties hereto, in a manner satisfactory to 85% of the Working Interest Owners qualified under (a) against any and all claims and demands that may be made by the nonjoining Working Interest Owners or royalty owners, or both, on account of the commitment and joinder of such tract to the unit agreement, and operation thereof under such conditions on the

basis herein provided, and as to which 85% of the Working Interest Owners qualified under (a) exclusive of the Working Interest Owner submitting such tract, have approved the commitment of such tract to this unit agreement.

If, on the effective date of this agreement, there is any tract or tracts which have not been 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 Commissioner and the Director or as soon thereafter as practical, file therewith a schedule of those tracts which have been committed and made subject to this agreement and are entitled to participate in the production from the unit area hereunder. Said schedule shall set forth opposite each such committed tract the lease number and assignment number, the owner of record of the lease, and the percentage of participation of such tract which shall be computed according to the participation formula set out in Section 11 (Tract Participation) above. This schedule of participation shall be a part of Exhibit "B" and upon approval thereof by the Commissioner and the Director shall become a part of this agreement and shall govern the allocation of production of Unitized Substances until the effective date of a new schedule approved by the Commissioner and the Director.

13. 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 pressure maintenance or unavoidable loss) shall be apportioned among and allocated to the committed tracts within the unit area in accordance with the respective tract participations then 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 executing, consenting to or ratifying this agreement 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, and nothing herein contained shall be construed

as requiring any retroactive adjustment for production obtained prior to the effective date of the joinder of any tract.

If the working interest and the royalty interest in any tract are divided with respect to separate parcels or portions of such tract and owned severally by different persons, the percentage participation assigned to such tract shall, in the absence of a recordable instrument executed by all owners and furnished to Unit Operator fixing the division of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

The Unitized Substances allocated to each tract shall be delivered in kind to the respective Working Interest Owners and parties entitled thereto by virtue of the ownership of oil and gas rights therein or by purchase from such owners. Each Working Interest Owner and the parties entitled thereto shall have the continuing right to receive such production in kind at a common point within the unit area and to sell or dispose of the same as it sees fit. Each such party shall have the right to construct, maintain and operate all necessary facilities for that purpose on unitized land, provided the same are so constructed, maintained and operated as not to interfere with operations carried on pursuant hereto. Subject to Section 14 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 receiving the same in kind. In the event any party hereto shall fail to take or otherwise adequately dispose of its proportionate share of the production from the unit area currently as and when produced, then so long as such conditions continue, Unit Operator, for the account and at the expense of such party and in order to avoid curtailing the operation of the unit area, may sell or otherwise dispose of such production to itself or others on a day-to-day basis at not less than the prevailing market price in the area for like production, and the account of such party 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 party entitled thereto.

Any party 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 on the lease or leases and tracts contributed by it and

received into the unit, and each such party shall hold each other party hereto harmless against all claims, demands and causes of action for such royalty on the lease or leases and tracts contributed by it and received into the unitized land.

If, after the effective date of this agreement there is any tract or tracts that are subsequently committed hereto as provided in Section 3 (Unit Area) 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 31 (Nonjoinder and Subsequent Joinder), or if any tract is excluded from the unit area as provided for in Section 28 (Loss of Title), the schedule of participation as shown in Exhibit "B", subject to Section 11 (Tract Participation) or Section 31 (Nonjoinder and Subsequent Joinder), whichever is appropriate, shall be revised by the Unit Operator and distributed to the Working Interest Owners, the Commissioner and the Director to show the new percentages of participation of all the then effectively committed tracts; and the revised schedule, upon approval by the Commissioner and the Director, shall govern all the allocation of production from and after the effective date thereof until the effective date of a new schedule approved by the Commissioner and the Director.

Unit Operator may use as much of the Unitized Substances as it may reasonably deem necessary for the operation and development of the unit area, including but not limited to the injection of Unitized Substances into the formation.

14. ROYALTY SETTLEMENT. The State of New Mexico and the 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 interests 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 their leases, except that such royalty shall be computed in accordance with the terms of this unit agreement.

If gas, or any other substance, obtained from lands not subject to this agreement, is introduced into the Unitized Formation for use in repressuring, stimulation of production or increasing ultimate recovery in conformity with a plan approved pursuant to Section 10 (Plan of Operations), a like amount of gas or such other substance, less appropriate deductions for loss from any cause, may be withdrawn from the Unitized Formation, royalty free as to dry gas or such other substance but not as to the products extracted therefrom; provided such withdrawal shall be pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner; and provided further that such right of withdrawal shall terminate as of the effective date of termination of the unit agreement.

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.

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 interest of all parties shall be adjusted accordingly.

15. RENTAL SETTLEMENT. Rentals or minimum royalties due on 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 rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

16. 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.

17. DRAINAGE. The Unit Operator shall take appropriate and adequate measures to prevent drainage of Unitized Substances from unitized land by wells on land not subject to this agreement.

18. LEASES AND CONTRACTS CONFORMED AND EXTENDED. The terms, conditions and provisions of all leases, subleases and other contracts relating to exploration, drilling, development or operations 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 Commissioner, respectively, shall and by their approval hereof, 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 and every part or separately owned tract subject to this agreement, regardless of whether there is any development of any particular part or 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 secondary recovery operations performed hereunder upon any tract of unitized lands shall be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on land therein embraced.

(c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent of the Commissioner and the Supervisor or their duly authorized representatives, shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of unitized land.

(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 so long as such land remains committed hereto.

(e) The segregation of any Federal lease committed to this agreement is governed by the following provisions in the fourth paragraph of Section 17 (j) of said Act of February 25, 1920, as amended by the Act of September 2, 1960 (74 Stat.

781-784): "Any (Federal) lease heretofore or hereafter committed to any such plan (unit) 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."

(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 term of such lease shall apply separately to such segregated portions commencing as of the effective date thereof. Provided, however, that notwithstanding any of the provisions of this agreement to the contrary, such lease shall continue in full force and effect beyond the term provided therein as to all lands embraced in such 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 secondary recovery operations on any part of the lands embraced in such lease, then the same as to all lands embraced therein shall remain in full force and effect so long as such operations are 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.

19. MATHEMATICAL ERRORS. It is hereby agreed by all parties to this agreement that Unit Operator is empowered to correct any mathematical errors which might exist in the pertinent exhibits to this agreement upon approval of the Commissioner, the Supervisor and the Working Interest Owners.

20. 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 of 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 of transfer.

21. EFFECTIVE DATE AND TERM. This agreement shall become effective upon approval by the Director and the Commissioner or their duly authorized representatives and by the Commission as of the date of approval by the Director, provided:

This agreement and the unit operating agreement have been executed or ratified by Working Interest Owners owning a combined unit participation during Phase I of at least 90% and the execution and ratification of this agreement by royalty owners owning a combined interest of at least 75% of the royalty interest as to fee land and record title interest as to State and Federal lands in said unit area.

If this unit agreement has not been filed for final approval on or before July 1, 1967 it shall ipso facto expire on said date (hereinafter call "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 unit participation during Phase I of at least ninety per cent (90%), and the Working Interest Owners owning a combined unit participation during Phase I of at least ninety per cent (90%) committed to this agreement have agreed to extend said expiration date for a period not to exceed six (6) months (hereinafter called "extended expiration date"). If said expiration date is so extended and execution, ratification and filing for final approval are not accomplished on or before said extended expiration date, this agreement shall ipso facto expire on said extended expiration date and thereafter be of no further force or effect. For the purpose of this section, ownership shall be computed on the basis of unit participation as determined from Exhibit "B" attached hereto.

Unit Operator shall, within thirty (30) days after the effective date of this agreement, file for record a certificate to the effect that this agreement has become effective according to its terms and stating further the effective date and the location of the governmental agency offices where copies of this agreement are filed.

The term of this agreement shall be for and during the time that Unitized Substances can be produced in paying quantities from the unit area and as long thereafter as drilling, reworking or other operations (including secondary recovery operations) are prosecuted thereon without cessation of more than ninety (90) consecutive days.

This agreement may be terminated with the approval of the Commissioner and the Director by Working Interest Owners owning ninety per cent (90%) unit participation during Phase II at anytime for any other reason. Notice of any such termination shall be given by Unit Operator to all parties hereto.

Upon termination of this agreement, unit operations shall cease, and thereafter the parties hereto shall be governed by the terms and provisions of the leases and contracts affecting the separate tracts.

If not otherwise specified by the leases unitized under this agreement, Royalty Owners hereby grant Working Interest Owners a period of six (6) 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.

22. 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 Director and the Commissioner are hereby vested with authority to alter or modify from time to time at their discretion the quantity and rate of production under this agreement when such quantity and rate is not fixed pursuant to Federal and State law or does not conform to any state wide voluntary conservation or allocation program, which is established, recognized and generally adhered to by the majority of operators in such State, 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. Without regard to the foregoing, the Director is also hereby vested with authority to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is not in violation of any applicable Federal or State law; provided, further that no such alteration or modification shall be effective as to any land of the State of New Mexico as to the rate of prospecting and developing in the absence of the specific written approval thereof by the Commissioner and as to any lands of the State of New Mexico or privately owned lands subject to this agreement as to the quantity and rate of production in the absence of specific written approval thereof by the commission.

Powers vested in this section shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

23. NONDISCRIMINATION. In connection with the performance of work under this agreement, the Unit Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246, as amended, (30 F.R. 12319),

which are hereby incorporated by reference in this agreement.

24. APPEARANCES. Unit Operator shall, after notice to the other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Commissioner, the Department, and the Commission, and to appeal from any order issued under the rules and regulations of the Commissioner, the Department or the Commission, or to apply for relief from any of said rules and regulations or in any proceedings relative to operations before the Commissioner, the Department, or the Commission, 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.

25. 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 mail, addressed to such party or parties at their respective addresses 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.

26. 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 United States or of the State of New Mexico or rules 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.

27. UNAVOIDABLE DELAY. All obligations under this agreement requiring the Unit Operator to commence or continue secondary 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 in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

28. LOSS OF TITLE. In the event title to any tract of unitized land shall fail so as to render the tract inoperable under this agreement and the true owner cannot be induced to join this unit 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 as to any royalty, working interest or other interest subject hereto, payment or delivery on account thereof may be withheld without liability or interest until the dispute is finally settled; provided, that as to State or Federal land or leases, no payments of funds due the State of New Mexico or the United States of America shall be withheld, but such funds shall be deposited as directed by the Commissioner or the Supervisor (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.

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

29. CONFLICT OF SUPERVISION. Neither the Unit Operator nor the Working Interest Owners, nor any of them, shall be subject to any forfeiture, termination or expiration of any rights hereunder or under any leases or contracts subject hereto, or to any penalty or liability on account of delay or failure in whole or in part to comply with any applicable provisions thereof to the extent that the said Unit Operator or the Working Interest Owners, or any of them, are hindered, delayed or prevented from complying therewith by reason of failure of the Unit Operator to obtain, in the exercise of due diligence, the concurrence of proper representatives of the United States and proper representatives of the State of New Mexico in and about any matters or things concerning which it is required herein that such concurrence be obtained. The parties hereto and the Commission agree that all powers and authority vested in the Commission in and by any provisions of this agreement are vested in the Commission and shall be exercised by it pursuant to the provisions of the laws of the State of New Mexico and subject in any case to appeal or judicial review as may now or hereafter be provided by the laws of the State of New Mexico.

30. BORDER AGREEMENTS. Subject to the approval of the Supervisor and the Commissioner, the Unit Operator, with concurrence of sixty-five per cent (65%) of

the Working Interest Owners, based upon the percentages of participation during Phase II, may enter into a border protection agreement or agreements with the Working Interest Owners of adjacent lands along the boundaries of the unit area with respect to the operations in the border area for the maximum ultimate recovery, conservation purposes and proper protection of the parties and interests.

31. NONJOINDER AND SUBSEQUENT JOINDER. If the owner of any substantial interest in a tract within the unit area fails or refuses to subscribe, ratify or consent in writing to this agreement, the Working Interest Owner in that tract who has executed or ratified this agreement may withdraw said tract from this agreement by written notice to the Director, the Commissioner and Unit Operator prior to the effective date of this agreement. 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 the Unit 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 unit agreement.

Any oil or gas interest in the lands in the unit area not committed hereto, prior to submission of this agreement to the Commissioner and the Director for final approval may thereafter be committed hereto upon compliance with the applicable provisions of this section and of Section 12 (Tracts Qualified for Unit Participation) hereof, at any time up to the effective date hereof and for a period to and including three (3) months thereafter, on the same basis of participation as provided in said Section 12 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; provided, however, that the current rate for any well on any tract committed within the said three month period shall be determined as though such well were completed during the period after October 31, 1966 and prior to the effective date of the unit as defined in Section 2(q).

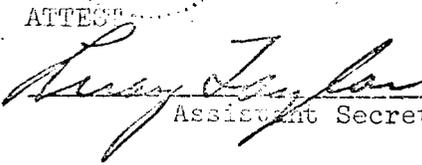
It is understood and agreed, however, that from and after three (3) months from the effective date hereof the right of subsequent joinder as provided in this section shall be subject to such requirements or approval and on such basis as may be agreed upon by ninety per cent (90%) of the Working Interest Owners (based upon

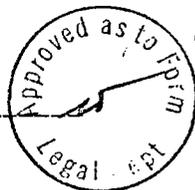
the percentage of participation during Phase II) Such subsequent joinder by a Working Interest Owner must be evidenced by his execution or ratification of this agreement and the Unit Operating Agreement. Such subsequent joinder by a royalty owner must be evidenced by his execution, ratification or consent 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 royalty owner. Except as may be otherwise herein provided, subsequent joinder to this agreement shall be effective at 7:00 o'clock a.m. as of the first day of the month following the filing with the Commissioner and the Supervisor 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 Commissioner or the Director is duly made within sixty (60) days after such filing.

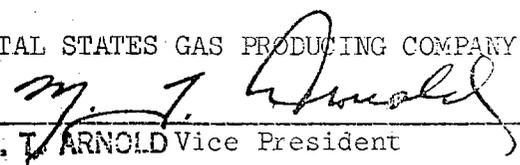
32. NO PARTNERSHIP. It is expressly agreed that the relation of the parties hereto is that of independent contractors and nothing in this agreement contained, expressed or implied, or any operations conducted hereunder shall create or be deemed to create a partnership or association between the parties hereto or any of them.

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 lands within the above described unit area.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed and have set opposite their respective names the date of execution.

ATTEST

Assistant Secretary



COASTAL STATES GAS PRODUCING COMPANY
By 
M. T. ARNOLD Vice President

Address: _____

UNIT OPERATOR AND WORKING INTEREST OWNER

WORKING INTEREST OWNERS

ATTEST:

AMARILLO OIL COMPANY ✓

 Michael C. Frawley
Asst. Secretary

By: W. Hoey

Date: 3/6/67

Address: Box 151
Amarillo, Tex.

ATTEST:

SOUTHLAND ROYALTY COMPANY

Secretary

By: _____

Date: _____

Address: _____

ATTEST:

SIPANAM, INC.

Secretary

By: _____

Date: _____

Address: _____

Date: _____

Dr. Gerhard Wagner

Address: _____

Date: _____

J. H. Herd

Address: _____

Date: _____

Mr. R. M. Richardson

Address: _____

WORKING INTEREST OWNERS

ATTEST:

AMARILLO OIL COMPANY

Secretary

By: _____

Date: _____

Address: _____

ATTEST:

SOUTHLAND ROYALTY COMPANY

Secretary

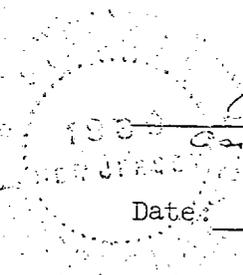
By: _____

Date: _____

Address: _____

ATTEST:

SIPANAM, INC.

 A. Traylor
Secretary

By: [Signature]

Date: MARCH 9th 1967

Address: 630 5th Ave. NEW YORK
President N.Y.

Date: MARCH 9th 1967

[Signature]
Dr. Gerhard Wagner

Address: 830 5th Ave.
NEW YORK N.Y.

Date: _____

J. H. Herd

Address: _____

Date: _____

Mr. R. M. Richardson

Address: _____

WORKING INTEREST OWNERS

ATTEST:

AMARILLO OIL COMPANY

Secretary

By: _____

Date: _____

Address: _____

ATTEST:

SOUTHLAND ROYALTY COMPANY

Secretary

By: _____

Date: _____

Address: _____

ATTEST:

SIPANAM, INC.

Secretary

By: _____

Date: _____

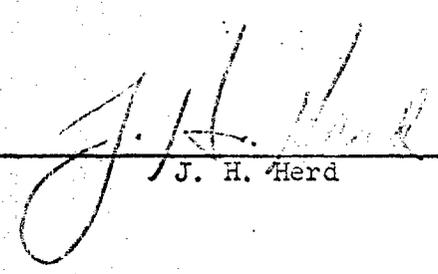
Address: _____

Date: April 10, 1967

Address: J. H. HERD
BOX 121
MIDLAND, TEXAS

Dr. Gerhard Wagner

Date: _____



J. H. Herd

Address: _____

Date: _____

Mr. R. M. Richardson

Address: _____

WORKING INTEREST OWNERS

ATTEST:

AMARILLO OIL COMPANY

Secretary

By: _____

Date: _____

Address: _____

ATTEST:

SOUTHLAND ROYALTY COMPANY

Secretary

By: _____

Date: _____

Address: _____

ATTEST:

SIPANAM, INC.

Secretary

By: _____

Date: _____

Address: _____

Date: _____

Dr. Gerhard Wagner

Address: _____

Date: _____

J. H. Herd

Address: _____

Date: _____

Mr. R. M. Richardson

Address: _____

ATTEST:

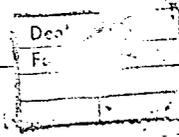
MURPHY OIL CORPORATION

Secretary

By: *Robert J. ...*

Date: April 21, 1967

Address: 200 Jefferson Avenue
El Dorado, Arkansas



ROYALTY OWNERS

Date: _____

Address: _____

STATE OF Texas
COUNTY OF Potter

The foregoing instrument was acknowledged before me this 6 day of March 1967 by A. F. Cox, President of Amarillo Oil Company, a Texas corporation, on behalf of said corporation.

Mary Coffey
Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____ 1967 by _____ of Southland Royalty Company, a _____ corporation, on behalf of said corporation.

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____ 1967 by _____ of Sipanam, Inc., a _____ corporation, on behalf of said corporation.

Notary Public

STATE OF _____
COUNTY OF _____

On this the ____ day of _____, 1967, before me, appeared Dr. Gerhard Wagner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____ 1967 by _____, _____ of Amarillo Oil Company, a _____ corporation, on behalf of said corporation.

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____ 1967 by _____, _____ of Southland Royalty Company, a _____ corporation, on behalf of said corporation.

Notary Public

STATE OF NEW YORK
COUNTY OF NEW YORK

The foregoing instrument was acknowledged before me this 9th day of MARCH 1967 by GERHARD WAGNER, PRESIDENT of Sipanam, Inc., a NEW JERSEY corporation, on behalf of said corporation.

William McCabe
Notary Public

WILLIAM McCABE
Notary Public, State of New York
No. 03-7789711
Qualified in Bronx County
Cert. filed with N. Y., Kings, Queens,
Richmond, Westchester, Nassau
Counties Clerks
Term Expires March 30, 1968

STATE OF NEW YORK
COUNTY OF NEW YORK

On this the 9th day of MARCH, 1967, before me, appeared Dr. Gerhard Wagner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal

William McCabe
Notary Public

WILLIAM McCABE
Notary Public, State of New York
No. 03-7789711
Qualified in Bronx County
Cert. filed with N. Y., Kings, Queens,
Richmond, Westchester, Nassau
Counties Clerks
Term Expires March 30, 1968

STATE OF Texas
COUNTY OF Midland

On this the 10th day of April, 1967, before me, appeared J. H. Herd, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

A. Thomas - Notary Public
In And For Midland County, Texas
My Commission Expires June 1, 1967

A. Thomas
Notary Public

STATE OF _____
COUNTY OF _____

On this the _____ day of _____, 1967, before me, appeared R. M. Richardson, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

STATE OF _____
COUNTY OF _____

On this the _____ day of _____, 1967, before me, appeared C. H. Atchison, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Coastal States Gas Producing Company, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

STATE OF _____
COUNTY OF _____

On this the _____ day of _____, 1967, before me, appeared J. H. Herd, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

STATE OF _____
COUNTY OF _____

On this the _____ day of _____, 1967, before me, appeared R. M. Richardson, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

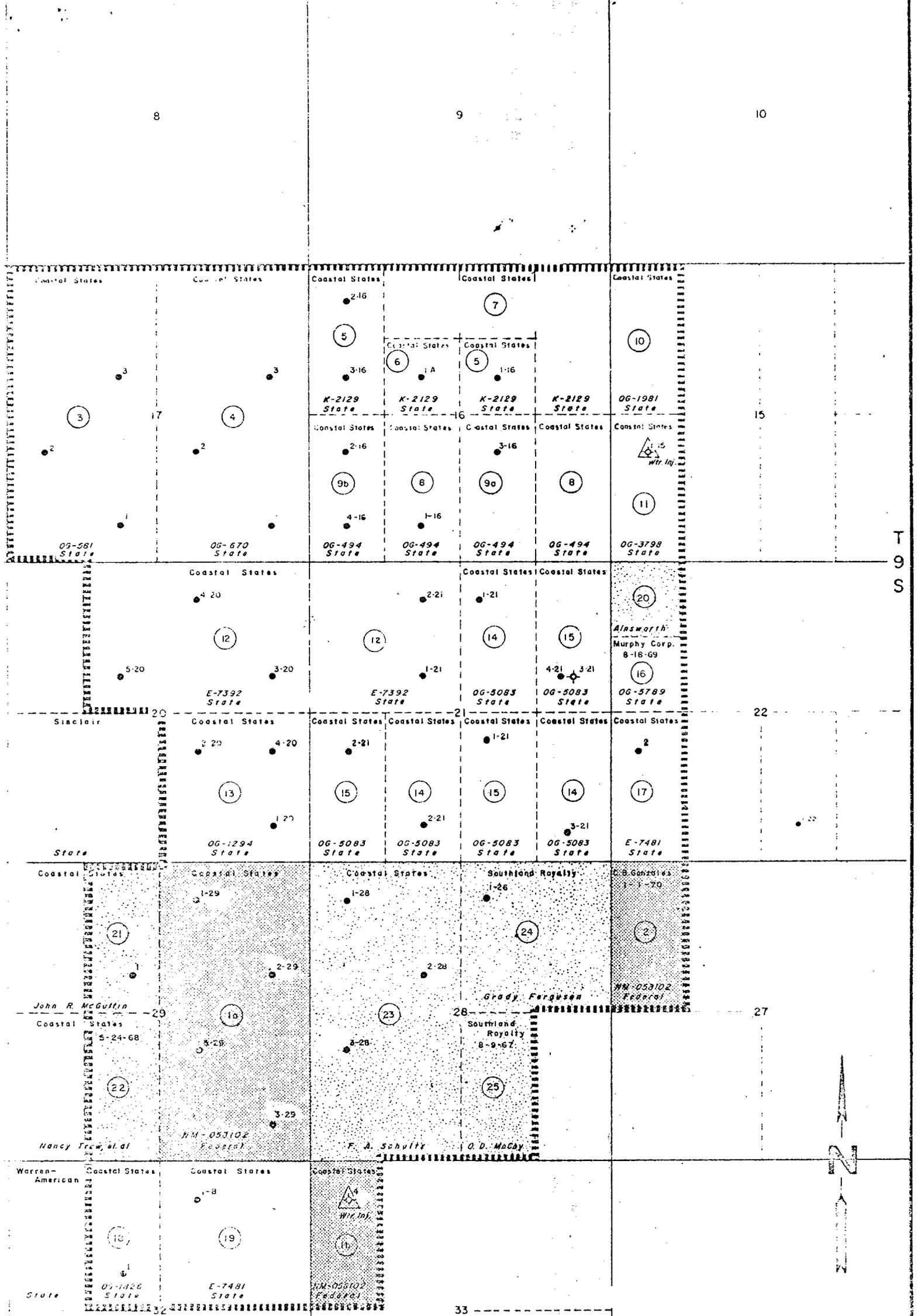
STATE OF Texas
COUNTY OF Nueces

On this the 19th day of April, 1967, before me, appeared M. J. ARNOLD, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Coastal States Gas Producing Company, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

CATHY E. REESE
Notary Public, in and for Nueces County, Texas

Cathy E. Reese
Notary Public



LEGEND

-  Unit Area
-  Tract Number
-  State Lands (69.608 % of Unit Area)
-  Federal Lands (11.765 % of Unit Area)
-  Fee Lands (18.627 % of Unit Area)

R 33 E

COASTAL STATES GAS PRODUCING COMPANY
PETROLEUM LANDS
 COMPANY (L) 11, 1955

FLYING 'M' FIELD
 LEA COUNTY, NEW MEXICO
 EXHIBIT "A"
SAN ANDRES UNIT

NOV 1957

EXHIBIT "B"
FLYING "M" SAN ANDRES
LEA COUNTY, NEW MEXICO

Complete
Basic

Tract No.	Description of Land	No. of Acres	No. of Wells	Serial No. & Expiration Date	Royalty Ownership & % ages	Lessee of Record	Overriding Royalty Owner and Amount	Working Interest Owner and Amount	Productive Acres	Percent of Tract in Unit Phase I	Percent of Participation in Unit Phase II
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FEDERAL ACREAGE

1a	E/2 of Sec. 29, T9S, R33E	320	4	NM-058102 HBP	USA 12.5%	Coastal States Gas Prod. Co.	Isabel Q. Gonzales Elizabeth Villa	Coastal States 75.00% Sipanam, Inc. 25.00%	320.000	8.0837	7.3996
1b	W/2, NW/4 of Sec. 33, T9S, R33E	80	0	NM-058102 HBP	USA 12.5%	Coastal States Gas Prod. Co.	Elizabeth Villa Chas. B. Gonsales	Coastal States 75.00% Sipanam, Inc. 25.00%	24.007	.1751	.1751
2	W/2 NW/4 Sec. 27, T9S, R33E	80	0	NM-058102 HBP	USA 12.5%	Chas. B. Gonsales	None	Chas. B. Gonsales 100%	7.381	.0538	.0538

(Three Federal tracts containing 480 acres or 11.765% of the Unit Area)

STATE ACREAGE

3	W/2 of Sec. 17, T9S, R33E	320	3	OG-581-2 HBP	State 12.5%	Coastal States Gas Prod. Co.	None	Coastal States 75.00% G. Wagner 25.00%	224.498	5.6359	6.1345
4	E/2 of Sec. 17, T9S, R33E	320	3	OG-670-1 HBP	State 12.5%	Coastal States Gas Prod. Co.	None	Coastal States 75.00% G. Wagner 25.00%	316.273	5.8884	7.0816
5	W/2 of NW/4, SW/4 of NE/4 Sec. 16, T9S, R33E	120	3	K-2129-1 HBP	State 12.5%	Redfern Dev. Corp.	J. H. Herd Wm. B. Johnston Rosalind Redfern Redfern Dev. Corp. Jack Thornton	Coastal States 75.00% Sipanam, Inc. 25.00%	113.604	3.6617	3.9806
6	SE/4 of NW/4 Sec. 16, T9S, R33E	40	1	K-2129-1 HBP	State 12.5%	Redfern Dev. Corp.	John J. Redfern Redfern Dev. Corp. Jack D. Thornton Wm. B. Johnston J. H. Herd	Coastal States 51.00% Sipanam, Inc. 17.00% Amarillo Oil 32.00%	40.000	.7395	.7245

Tract No.	Description of land	No. of Acres	No. of Wells	Serial No. & Expiration Date	Ownership & Percentage	Lessee of Record	Overriding Royalty Owner and Amount	Working Interest Owner and Amount	Percent of Participation		
									Phase 1	Phase 2	
7	NW/4 of NW/4 NW/4 of NW/4 E/2 of NW/4 Sec. 16, T9S, R33E	160	0	N-2129-1 HBP	State 12.5%	Redfern Dev. Corp.	Rosalind Redfern Wm. B. Johnston Jack D. Thornton Redfern Dev. Corp. .01000000	Coastal States Sipanam, Inc. J. H. Herd 32.00%	81.457	.5939	.5939
8	E/2 of SW/4 E/2 of SW/4 Sec. 16, T9S, R33E	160	1	OG-494-3 HBP	State 12.5%	Coastal States Gas Prod. Co.	James P. Exum Neil A. McConnell *Citizens First Natl. Bank, Tyler, Texas Trustee Bernard Peyton John C. Ryan Trice Production Title undeter- mined Arthur D. Dana, Jr. .00031250	Coastal States G. Wagner 25.00%	160.000	3.2672	3.8359
9a	W/2 of SW/4 Sec. 16, T9S, R33E	80	1	OG-494-1 HBP	State 12.5%	Coastal States Gas Prod. Co.	Southern Minerals Corp. .17500000	Coastal States Sipanam, Inc. 25.00%	80.000	4.0082	3.6535
9b	W/2 of SW/4 Sec. 16, T9S, R33E	80	2	OG-494-4	State 12.5%	Coastal States Gas Prod. Co.	Southern Minerals Corp. .17500000	Coastal States Sipanam, Inc. 25.00%	80.000	4.9031	4.8048
10	W/2 of NW/4 Sec. 15, T9S, R33E	80	0	OG-1981-3 HBP	State 12.5%	Coastal States Gas Prod. Co.	John C. Ryan Disputed Owner- ship .01451250	Coastal States Sipanam, Inc. 24.50%	9.571	.0698	.0698
11	W/2 of SW/4 Sec. 15, T9S, R33E	80	0	OG-3798-3 5-20-68	State 12.5%	Coastal States Gas Prod. Co.	Southern Minerals Corp. .17500000	Coastal States Sipanam, Inc. 25.00%	42.986	.3134	.3134

of record in connection with the estate of Franklin Baldwin, deceased.

EXHIBIT "B"
 FLYING "W" SAN ADDRESS
 IFA COUNTY, NEW MEXICO

Tract No.	Description of Tract	No. of Acres	No. of Wells	Serial No. of Lease	Royalty Percentage	Lessee of Record	Overriding Royalty Owner and Amount	Working Interest Owner and Amount	Productive Acres	Percentage of Participation of Tract in Unit	
										Phase I	Phase II
12	NW/4 Sec. 21, E/3/4 of N/2 of Sec. 20, T9S, R33E	400	5	W-7392-1 HBP	37.5%	Coastal States Gas Prod. Co.	Coastal States Oil Co. .05468751	Coastal States G. Wagner 25.00%	393.970	14.6750	16.7428
13	SE/4 Sec. 20, T9S, R33E	160	3	OG-1294 HBP	12.5%	Sinclair Oil & Gas Co.	Sinclair Oil & Gas .12500000	Coastal States Sipanam, Inc. 25.00%	160.000	3.5556	3.5450
14	E/2 of SE/4 W/2 of NE/4 E/2 of SW/4 Sec. 21 T9S, R33E	240	3	OG-5083-2 HBP	12.5%	Coastal States Gas Prod. Co.	James P. Exum .00023438 Neil A. McConnell .00031250 *Citizens First Natl. Bank, Tyler, Texas, Trustee .00031250 Bernard Peyton .00062500 John G. Ryan .01562500 Tyrice Production Title under or mined Arthur D. Dana, Jr. .01451250 Southern Minerals Corp. .17500000	Coastal States G. Wagner 25.00%	240.000	7.0226	7.6444
15	E/2 of NE/4 W/2 of SW/4 W/2 of SW/4 Sec. 21 T9S, R33E	240	3	OG-5083-4 HBP	12.5%	Coastal States Gas Prod. Co.	Southern Minerals Corp. .17500000	Coastal States Sipanam, Inc. 25.00%	240.000	8.9219	9.0550
16	SW/4 NW/4 Sec. 22, T9S, R33E	40	0	OG-5789 8-18-69	12.5%	Murphy Oil Corp.	None	Murphy Oil Corp. 100%	30.942	.2255	.2255
17	W/2 SW/4 Sec. 22 T9S, R33E	80	1	E-7481-3 HBP	12.5%	Coastal States Exploration Co.	Coastal States Oil & Exploration Co. .09500000	Coastal States Sipanam, Inc. 25.00%	66.872	2.2625	1.6626

*Trustee in connection with the estate of Franklin Baldwin, deceased.

EXHIBIT "B"
FLYING "M" SAN ANDRES
LEA COUNTY, NEW MEXICO

Tract No.	Description of Land	No. of Acres	No. of Wells	Serial No. & Expiration Date	Basic Royalty Ownership & Percentages	Lessee of Record	Overriding Royalty Owner and Amount	Working Interest Owner and Amount	Productive Acres	Percent of Participation of Tract in Unit	
										Phase I	Phase II
18	E/2 NW/4 Sec. 32 T9S, R33E	80	1	OG-1826-2 HBP	State 12.5	Coastal States Gas Oil Co. Prod. Co.	Warren American	.12500000	76.199	.9284	1.0156
19	NE/4 of Sec. 32, T9S, R33E	160	1	E-7481-2 HBP	State 12.5	Coastal States Gas & Exploration Co. Prod. Co.	Louisiana Land & Exploration Co.	.12500000	125.917	1.2484	1.3105

(Eighteen State Tracts containing 2,840 acres or 69.608% of the Unit Area)

FEE ACREAGE

20	NW/4 NW/4 of Sec. 22, T9S, R33E	40	0	Fee 4-24-68	Alton Ainsworth 4.6875000% Joe C. Ainsworth, Jr. 4.6875000% Nelson Ainsworth 4.6875000% Exalee Ainsworth Howard 4.6875000%	Coastal States Gas Prod. Co.	None	Coastal States Sipanam, Inc. 25.00%	27.657	.2017	.2017	
21	E/2 of NW/4 Sec. 29, T9S, R33E	80	1	Fee HBP	Margaret McGuffin et vir John R. 06.2500000% R. Edward Warn 03.1250000% Bess Yearwood 01.1750000% Edward A. Elkan 00.2437500% Clara A. Elkan 01.2187500% Harold Alston Elkan 00.2437500% Edward Armstrong Elkan, Jr. 00.2437500%	Coastal States Gas Prod. Co.	Len Mayer	.03000000	Coastal States 75.00% G. Wagner 25.00%	66.345	4.7731	3.3246

EXHIBIT "B"
 FLYING "M" SAN ANDRES
 LEA COUNTY, NEW MEXICO

Tract No.	Description of Land	No. of Acres	No. of Wells	Serial No. & Expiration Date	Complete		Lessee of Record	Overriding Royalty Owner and Amount	Working Interest Owner and Amount	Productive Acres	Percent of Participative	
					Basic Royalty Ownership & Percentages	Production					Phase I	Phase II
22	E/2 of SW/4 Sec. 29, T9S, R33E	80	0	Fee 5-24-68	M. D. Bryant 04.16667%	03000000	Coastal States Gas Prod. Co.	Len Mayer	73.06%	80.000	.5834	.5834
					Nancy Throw 02.0833333%				Sipanam, Inc. 24.36%			
					Mary O. Hockin 01.116071%				R.M. Richardson 2.58%			
					Willie A. Fisher 00.161210%							
					Wesley R. Fisher 00.161210%							
					Ernest E. Fisher 00.161210%							
					Joe W. Fisher 00.161210%							
					Myrtle Fisher Morrow 00.595239%							
					James A. Fisher, Jr. 00.744048%							
					Wanda Fisher McWhorter 00.744048%							
					Reba Annie Fisher 01.116071%							
					Robert W. Fisher 00.322421%							
					Aubrey Lee Fisher 00.322421%							
					Judy Ann Fisher 00.322421%							
					Bobby W. Fisher 00.161210%							
					Duane F. Fisher 00.161210%							
23	W/2 of Sec. 28, T9S, R33E	320	3	Fee HBP	L.L. & E. 09.375000%	.01367187	Coastal States Gas Prod. Co.	Midwest Oil	75.00%	291.374	12.4724	11.481
					Frank A. Schultz 02.734375%				Sipanam, Inc. 25.00%			

(Continued)

EXHIBIT "B"
 FLYING "M" SAN ANDRES
 LEA COUNTY, NEW MEXICO

Tract No.	Description of Land	No. of Acres	No. of Wells	Serial No. & Expiration Date	Complete Ownership & Percentages	Lessee of Record	Overriding Royalty Owner and Amount	Working Interest Owner and Amount	Productive Acres	Percent of Participati	
										Phase I	Phase
23	(Continued)				A. A. Werlla 00.097656% Mary McCulley 00.097656% Frances Gauble 00.097657% William L. Peters 00.097656%						
24	NE/4 Sec. 28, T9S, R33E	160	1	Fee HBP	Grady Ferguson 12.5	Southland Royalty	None	Southland Royalty	115.405	5.6338	4.28
25	W/2 SE/4 of Sec. 28, T9S, R33E	80	0	Fee 8-9-67	O. D. McCoy 12.5	Southland Royalty	None	Southland Royalty	14.000	.1020	.10

(Six Fee Tracts containing 760 acres or 18.627% of the Unit Area)

GRAND TOTAL 4,080 acres in entire Unit Area.

3,428.458

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

Elizabeth Villa
Joe T. Villa

STATE OF New Mexico)
 : ss
COUNTY OF Santa Fe)

The foregoing instrument was acknowledged before me this 4th day of April 1967 by Elizabeth Villa and Joe T. Villa,
her husband

My Commission Expires:
March 12, 1969

Lizana Valencia
Notary Public

STATE OF _____)
 : ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires:

Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof, save and except the undersign's interest in Tract Two as described in said Exhibit "B".

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

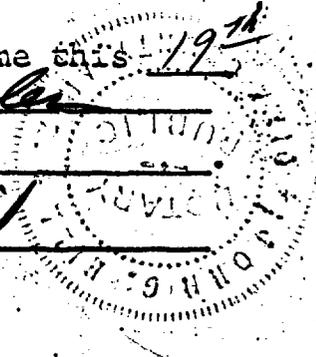
Charles B. Gonzalez

STATE OF Arizona)
COUNTY OF Pima) : ss

The foregoing instrument was acknowledged before me this 19th day of April 1967 by Charles B. Gonzalez

My Commission Expires: _____
My Commission Expires April 6, 1968

John G. Hill
Notary Public



STATE OF _____)
COUNTY OF _____) : ss

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires: _____

Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

Jack D. Thornton
Paul D. Thornton

STATE OF Texas)
COUNTY OF Midland : ss

The foregoing instrument was acknowledged before me this 11 day of April 1967 by Jack D. Thornton

My Commission Expires: June 1, 1967

Lesma Bowland
Notary Public

STATE OF Texas)
COUNTY OF Midland : ss

The foregoing instrument was acknowledged before me this 11 day of April 1967 by Paul D. Thornton

My Commission Expires: June 1, 1967

Lesma Bowland
Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the _____ day of _____ 1967, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

James P. Egan

Mrs. James P. Egan

STATE OF Florida)
COUNTY OF Palm Beach : ss

The foregoing instrument was acknowledged before me this 28th day of March 1967 by James P. Egan and
Mrs. James P. Egan

My Commission Expires:
Mar. 15, 1971

David J. L. Piquero
Notary Public

STATE OF _____)
COUNTY OF _____) : ss

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires:

Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

STATE OF New York)
COUNTY OF Westchester : ss

WILLIAM A. FURCH
Notary Public, State of New York
No. 30-1032000
Qualified in Nassau County
Certificate filed in New York County
Commission Expires March 31, 1968

The foregoing instrument was acknowledged before me this 17th day of July 1967 by Neil A. McCarroll

My Commission Expires: _____
Notary Public

STATE OF _____)
COUNTY OF _____) : ss

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires: _____
Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966 and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

ATTEST:

STATE OF TX)
 Cashier)
 : ss
COUNTY OF Santa Fe)

Citizens First National Bank
of Tyler, Texas, Trustee,
Trust Account No. 212

By [Signature] OR

The foregoing instrument was acknowledged before me this 10th day of March 1967 by Donald M. Amthorn, Vice President of the Citizens 1st National Bank of Tyler.

My Commission Expires: 6-1-67

[Signature]
Notary Public

STATE OF _____)
 : ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires: _____

Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

[Signature]

Margaret C. Peyton

STATE OF New Mexico
COUNTY OF Lea : ss

The foregoing instrument was acknowledged before me this 13th day of March 1967 by Bernard Peyton

My Commission Expires: _____

[Signature]
Notary Public

GEORGETTE KONOW
NOTARY PUBLIC OF NEW MEXICO
My Commission Expires February 13, 1968

STATE OF New Mexico
COUNTY OF Lea : ss

The foregoing instrument was acknowledged before me this 13th day of March 1967 by Margaret C. Peyton

My Commission Expires: _____

Notary Public

GEORGETTE KONOW
NOTARY PUBLIC OF NEW MEXICO
My Commission Expires February 13, 1968

CONSENT AND RATIFICATION
FLYING "M" SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M" San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said Agreement is dated the 1st day of December, 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M" San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

ATTEST:

SOUTHERN MINERALS CORPORATION


[Signature]
Assistant Secretary

BY: [Signature]
Vice President

STATE OF TEXAS §
§
COUNTY OF NUECES §

On this 23rd day of March, 1967,
before me appeared J. H. Winters, to me
personally known, who, being by me duly sworn, did say that
he is the Vice President of SOUTHERN MINERALS CORPORATION,
a corporation, and that the seal affixed to said instrument is
the corporate seal of said corporation, and that said instrument
was signed and sealed in behalf of said corporation by authority
of its Board of Directors, and said J. H. Winters
acknowledged said instrument to be the free act of said corporation.

WITNESS my hand and seal as such Notary Public on the
day, month and year first above written.

[Signature] (Violet Morgan)
Notary Public in and for
Nueces County, Texas

CONSENT AND RATIFICATION
 FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966 and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

 ASST. SECRETARY

SINCLAIR OIL & GAS COMPANY

 VICE PRESIDENT

APPROVED
FORM SUBSTANCE
R. W.
M. E.

STATE OF TEXAS)
 : ss
 COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 21st day of March 1967 by O. G. Simpson, Vice President of
Sinclair Oil & Gas Company, a Maine corporation, on behalf of said corporation.

My Commission Expires: June 1, 1967

 Barbara C. Tuttle - Notary Public in and for
 Midland County, Texas

STATE OF _____)
 : ss
 COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires: _____

 Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of December 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

Wm H. Schwabert

THE LOUISIANA LAND AND EXPLORATION COMPANY

E. L. Williamson
Senior Vice-President

STATE OF LOUISIANA

PARISH OF ORLEANS

On this 11th day of April, 1967, before me appeared E. L. Williamson, to me personally known, who, being by me duly sworn, did say that he is a Senior Vice President of THE LOUISIANA LAND AND EXPLORATION COMPANY, a Maryland corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said appearer acknowledged said instrument to be the free act and deed of said corporation.

James T. Davis
NOTARY PUBLIC

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

ATTEST: _____

WARREN AMERICAN OIL COMPANY

By: [Signature]
Secretary

By: [Signature]
President

STATE OF Oklahoma : ss
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 14th day of April 1967 by W. B. Warden, Jr.
President of Warren American Oil Company

My Commission Expires: 3-25-68

[Signature]
Notary Public

STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires: _____

Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966 and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

Alton C. Ainsworth Joe C. Ainsworth, Jr.
Individually and as Power of Attorney

STATE OF
COUNTY OF : ss

The foregoing instrument was acknowledged before me this 21 day of April 1967 by Joe C. Ainsworth, Jr. Nelson C. Ainsworth
Alton C. Ainsworth

My Commission Expires: June 1 1967
 Notary Public
State of Texas
Cochoy Co.

STATE OF _____)
COUNTY OF _____) : ss

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires: _____
_____ Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st. day of December 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

_____ Mrs. A. A. Werlla

STATE OF TEXAS)
 : ss
 COUNTY OF WICHITA)

The foregoing instrument was acknowledged before me this 20th. day of March 1967 by Mrs. A. A. Werlla

My Commission Expires:
June 1, 1967

Helen F. Teneyuca Helen F. Teneyuca
 Notary Public

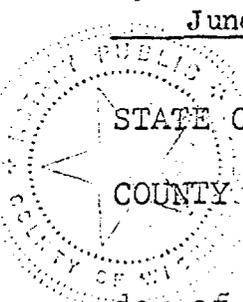
HELEN F. TENEYUCA
 Notary Public
 Wichita County, Texas

STATE OF _____)
 : ss
 COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires:

 Notary Public



CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec. 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

ATTEST:
[Signature]
Secretary

MIDWEST OIL CORPORATION
[Signature]
Vice President

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STATE OF Colorado)
City & : ss
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 30th day of March 1967 by R. W. Collins, Vice President, of Midwest Oil Corporation

My Commission Expires:
January 26, 1970

[Signature]
Notary Public

STATE OF _____)
: ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 1967 by _____

My Commission Expires:

Notary Public

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of Dec 1966, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

Lourence Lockenott
Andrew Wilbers

Mr. Mary Ann Culley
Paul M. McPherson

STATE OF La)
Lea) : ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 31 day of March 1967 by Ms Mary Culley

My Commission Expires: Sept John J. [Signature]
Notary Public



STATE OF La)
Lea) : ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 31 day of March 1967 by Paul M. McPherson

My Commission Expires: Sept John J. [Signature]
Notary Public



CERTIFICATE OF APPROVAL

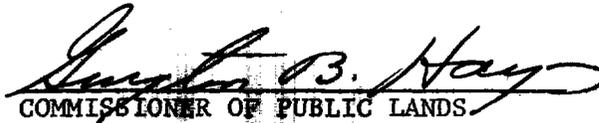
COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO
FLYING "N" San Andres Unit Agreement
LEA COUNTY, NEW MEXICO

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 ~~December 1, 1966~~, 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 7-11-39, 7-11-40, 7-11-41, 7-11-47, and 7-11-48, New Mexico Statutes Annotated, 1953 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 25th day of April, 19 67.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3554
Order No. R-3220

APPLICATION OF COASTAL STATES GAS
PRODUCING COMPANY FOR APPROVAL OF
THE FLYING "M" SAN ANDRES UNIT
AGREEMENT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 26, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 26th day of April, 1967, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

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

(2) That the applicant, Coastal States Gas Producing Com-
pany, seeks approval of the Flying "M" San Andres Unit Agreement
covering 4080 acres, more or less, of State, Federal, and Fee
lands described as follows:

LEA COUNTY, NEW MEXICO
TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 15: W/2 W/2
Section 16: All
Section 17: All
Section 20: E/2 and E/2 NW/4
Section 21: All
Section 22: W/2 W/2
Section 27: W/2 NW/4
Section 28: N/2, SW/4, and W/2 SE/4
Section 29: E/2 and E/2 W/2
Section 32: NE/4 and E/2 NW/4
Section 33: W/2 NW/4

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CASE No. 3554

Order No. R-3220

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the Flying "M" San Andres Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO X
 X KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA X

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.
- E. Unit Operating Agreement, Flying "M" (San Andres) Unit, Lea County, New Mexico, dated December 1, 1966, covering Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the

undersigned, having read the above agreements, exhibits and revisions and being familiar with the terms and conditions thereof, and being owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area as indicated on the plat and schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and Unit Operating Agreement and do hereby consent thereto and ratify, confirm and adopt all of the terms and provisions thereof exactly as if the undersigned had executed both original Unit Agreement and Unit Operating Agreement or a counterpart thereof.

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

ATTEST:

COASTAL STATES GAS PRODUCING COMPANY ~~AT~~

Secretary

BY: H. L. Blomquist, Jr. - CEO

Vice-President



CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS)
 : SS
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 20th day of January, 1971 by H. L. Blomquist, Jr., Vice President of Coastal States Gas Producing Company, a Delaware corporation, on behalf of said corporation.

My Commission Expires:
June 1, 1971

Linda J. Reinli
Notary Public

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO X
 X KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA X

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
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- E. Unit Operating Agreement, Flying "M" (San Andres) Unit, Lea County, New Mexico, dated December 1, 1966, covering Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the

undersigned, having read the above agreements, exhibits and revisions and being familiar with the terms and conditions thereof, and being owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area as indicated on the plat and schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and Unit Operating Agreement and do hereby consent thereto and ratify, confirm and adopt all of the terms and provisions thereof exactly as if the undersigned had executed both original Unit Agreement and Unit Operating Agreement or a counterpart thereof.

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

ATTEST:

Thos. J. Patrick
Assistant Secretary

SOUTHLAND ROYALTY COMPANY

John C. Harvey
Vice President
Jr - 36-27-28

STATE OF Texas X
COUNTY OF Tarrant X

The foregoing instrument was acknowledged before me this 3rd day of December, 1970, by John C. Harvey

My Commission Expires:

N. V. Reid
Notary Public in and for
Tarrant County, Texas

STATE OF _____ X
COUNTY OF _____ X

N. V. REID, Notary Public
in and for Tarrant County, Texas
My commission expires June 1, 1971

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for _____

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO X
 X KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA X

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
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- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.
- E. Unit Operating Agreement, Flying "M" (San Andres) Unit, Lea County, New Mexico, dated December 1, 1966, covering Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO X
 X KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA X

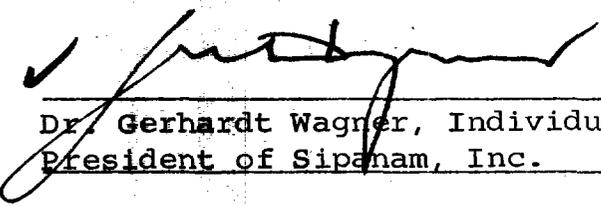
WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.
- E. Unit Operating Agreement, Flying "M" (San Andres) Unit, Lea County, New Mexico, dated December 1, 1966, covering Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the

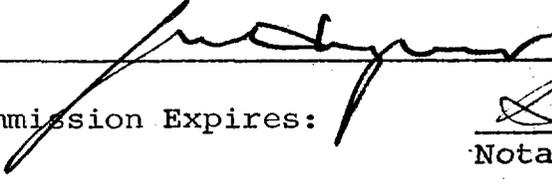
undersigned, having read the above agreements, exhibits and revisions and being familiar with the terms and conditions thereof, and being owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area as indicated on the plat and schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and Unit Operating Agreement and do hereby consent thereto and ratify, confirm and adopt all of the terms and provisions thereof exactly as if the undersigned had executed both original Unit Agreement and Unit Operating Agreement or a counterpart thereof.

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


 Dr. Gerhardt Wagner, Individually and as President of Sipanam, Inc.

STATE OF New York X
 COUNTY OF New York X

1ST The foregoing instrument was acknowledged before me this day of December, 1970, by _____

My Commission Expires: 

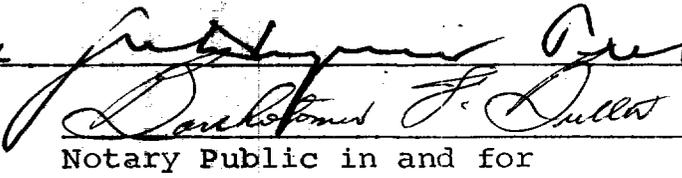
 Notary Public in and for

BARTHOLOMEW F. BUTLER
 Notary Public, State of New York
 No. 41-0520239
 Qualified in Queens County
 Cert. Filed in New York County
 Commission Expires March 30, 1971

STATE OF New York X
 COUNTY OF New York X

1ST The foregoing instrument was acknowledged before me this day of December, 1970, by _____

Sipanam Inc

 My Commission Expires: 

 Notary Public in and for

BARTHOLOMEW F. BUTLER
 Notary Public, State of New York
 No. 41-0520239
 Qualified in Queens County
 Cert. Filed in New York County
 Commission Expires March 30, 1971

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO X
 X KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA X

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.
- E. Unit Operating Agreement, Flying "M" (San Andres) Unit, Lea County, New Mexico, dated December 1, 1966, covering Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the

undersigned, having read the above agreements, exhibits and revisions and being familiar with the terms and conditions thereof, and being owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area as indicated on the plat and schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and Unit Operating Agreement and do hereby consent thereto and ratify, confirm and adopt all of the terms and provisions thereof exactly as if the undersigned had executed both original Unit Agreement and Unit Operating Agreement or a counterpart thereof.

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

ATTEST:

[Signature]
Assistant Secretary

MURPHY OIL CORPORATION

By *[Signature]*
Senior Vice President

STATE OF ARKANSAS X
COUNTY OF UNION X

The foregoing instrument was acknowledged before me this 22nd day of December, 1970, by Charles J. Hoke,
Senior Vice President of Murphy Oil Corporation.

My Commission Expires:

Mabel Powell
Notary Public in and for

MABEL POWELL
Notary Public in and for Union County, Ark.
Residing at El Dorado, Arkansas
My commission expires Jan. 10, 1974

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective December 16, 1969, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Mary O. Hockin
24-34

STATE OF TEXAS §
COUNTY OF BRAZORIA §

The foregoing instrument was acknowledged before me this 4th day of August, 1970, by Mary O. Hockin

My Commission Expires:
June 1, 1971

Virginia M. Johnston VIRGINIA M. JOHNSTON
Notary Public in and for Brazoria Co., Tx

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

J. R. Boyd 2 # 31
Mrs. J. R. Boyd

STATE OF TEXAS X
COUNTY OF TARRANT X

The foregoing instrument was acknowledged before me this 15th day of April, 1970, by J. R. Boyd

My Commission Expires:
MY COMMISSION EXPIRES
JUNE 1, 1971

H. W. McGowan
Notary Public in and for
H. W. MCGOWAN
NOTARY PUBLIC
TARRANT COUNTY, TEXAS

STATE OF TEXAS X
COUNTY OF TARRANT X

The foregoing instrument was acknowledged before me this 15th day of April, 1970, by Mrs. J. R. Boyd

My Commission Expires:
MY COMMISSION EXPIRES
JUNE 1, 1971

H. W. McGowan
Notary Public in and for
H. W. MCGOWAN
NOTARY PUBLIC
TARRANT COUNTY, TEXAS

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Douglas N Boyd

Sarah R Boyd

STATE OF Texas X
COUNTY OF Dallas X

14th The foregoing instrument was acknowledged before me this day of April, 1970, by Douglas N. Boyd

My Commission Expires: June, 1971
Mary Frances Cox
Notary Public in and for Dallas, Texas

STATE OF Texas X
COUNTY OF Dallas X

14th The foregoing instrument was acknowledged before me this day of April, 1970, by Sarah R. Boyd

My Commission Expires: June, 1971
Mary Frances Cox
Notary Public in and for Dallas, Texas

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests, to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Floyd S. Boyd ^{2#31} _____
Mrs. Floyd Boyd _____

STATE OF Texas X
COUNTY OF Throckmorton X

The foregoing instrument was acknowledged before me this 12 day of April, 1970, by Floyd S. Boyd

My Commission Expires: 6-1-71 [Signature]
Notary Public in and for

STATE OF Texas X
COUNTY OF Throckmorton X

The foregoing instrument was acknowledged before me this 13 day of April, 1970, by Floyd S. Boyd

My Commission Expires: 6-1-71 [Signature]
Notary Public in and for

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO)
 : ss KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA)

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 5, 1970 to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the undersigned, having read the above agreements, exhibits and revisions and being familiar with the terms and conditions thereof, and being owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area as indicated on the plat and

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests, to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

_____ *[Signature]*

STATE OF New York X
COUNTY OF Westchester X

The foregoing instrument was acknowledged before me this 24 day of April, 1970, by Bartholomew F. Butler

BARTHOLOMEW F. BUTLER
Notary Public, State of New York
No. 41-0520239
Qualified in Queens County
Cert. Filed in New York County
Commission Expires March 30, 1971

My Commission Expires:

Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Sandra E. Newman
Mayjorie H. Atruckle

THE LOUISIANA LAND AND EXPLORATION
 COMPANY
 By [Signature] ^{Fi 31-}
 19-21
 Executive Vice-President

STATE OF _____ X
 COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
 Notary Public in and for

STATE OF _____ X
 COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
 Notary Public in and for

STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS 21st day of April, 1970, before me appeared E. L. Williamson, to me personally known, who, being by me duly sworn, did say that he is Executive Vice-President of THE LOUISIANA LAND AND EXPLORATION COMPANY, a Maryland corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said appearer acknowledged said instrument to be the free act and deed of said corporation.

René L. Randon
NOTARY PUBLIC

RENÉ L. RANDON
NOTARY PUBLIC, PARISH OF ORLEANS, LA.
MY COMMISSION ISSUED FOR LIFE

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

 Tom E. Johnson
 Assistant Secretary

REDFERN DEVELOPMENT CORPORATION *Jr 31-36*
 By: John J. Redfern, Jr.
 President
 I. D. 75-6010651

STATE OF Texas X
 COUNTY OF Midland X

The foregoing instrument was acknowledged before me this day of April, 1970, by _____

John J. Redfern, Jr. President of Redfern Development Corporation,
 on behalf of said corporation.
 My Commission Expires: 6-1-77

R. Marchioli
 Notary Public in and for Texas
 R. MARCHIOLI - Notary Public
 Midland County, Texas
 My Commission Expires 6-1-77

STATE OF _____ X
 COUNTY OF _____ X

The foregoing instrument was acknowledged before me this day of _____, 1970, by _____

My Commission Expires: _____
 Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests, to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

CLAREMONT CORPORATION

Frank W. Podpechan

Frank W. Podpechan, President

27 + 21

Attest: *Jane A. Podpechan*
Jane A. Podpechan
Secretary

STATE OF Texas X
COUNTY OF Midland X

The foregoing instrument was acknowledged before me this 5th day of June, 1970, by Frank W. Podpechan President of Claremont Corporation, on behalf of said corporation.

My Commission Expires:

B. J. Bralley
Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Bryant Williams
BRYANT WILLIAMS, Independent Executor
of the Estate of M. D. Bryant
Ethel C. Bryant
ETHEL C. BRYANT, a widow. *24-37*

STATE OF TEXAS X
COUNTY OF TOM GREEN X

The foregoing instrument was acknowledged before me this 19th day of MAY, 1970, by BRYANT WILLIAMS, Independent Executor of the Estate of M. D. Bryant and by ETHEL C. BRYANT, a widow

My Commission Expires:
June 1, 1971

Mildred Morris (Mildred Morris)
Notary Public in and for
Tom Green County, T e x a s.

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Vincent L. Calafato Aubrey Lee Fisher
Vincent L. Calafato Carroll J. Fisher

In #24-34

STATE OF CALIFORNIA X
COUNTY OF SAN DIEGO X

The foregoing instrument was acknowledged before me this 25 day of APRIL, 1970, by Aubrey Lee Fisher and Carroll J. Fisher

My Commission Expires VINCENT L. CALAFATO Notary Public - Cal.
COM. EXP. MAR. 6, 1971 - SAN DIEGO CO.
899 Grand Ave., San Diego, Calif. 92109

Vincent L. Calafato
Notary Public in and for CALIFORNIA

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests, to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Ernest E. Fisher

Marlene Fisher

Dr # 24-34

STATE OF Maryland X
COUNTY OF Montgomery X

The foregoing instrument was acknowledged before me this 20th day of April, 1970, by _____

ERNEST E. FISHER

My Commission Expires: July 1, 1970 Adeline B. Clark
Notary Public in and for _____

STATE OF Maryland X
COUNTY OF Montgomery X

The foregoing instrument was acknowledged before me this 20th day of April, 1970, by _____

MARLENE FISHER

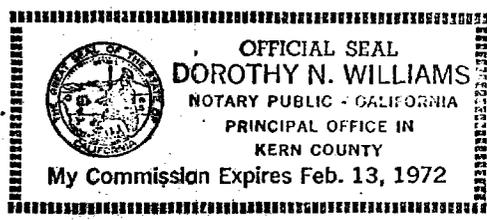
My Commission Expires: July 1, 1970 Adeline B. Clark
Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Reba Annie Fisher
Reba Annie Fisher *2024-24*

STATE OF California X
COUNTY OF Kern X



The foregoing instrument was acknowledged before me this 13th day of April, 1970, by Reba Annie Fisher

My Commission Expires:
February 13, 1972

Dorothy N. Williams
Dorothy N. Williams
Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Robert W. Fisher

M. J. Fisher

24-34

STATE OF Calif. X

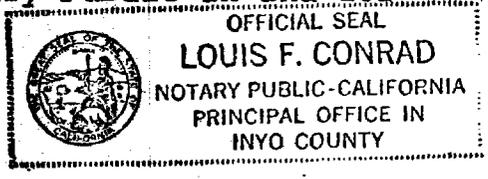
COUNTY OF Inyo X

The foregoing instrument was acknowledged before me this 16 day of April, 1970, by Robert W. Fisher and M. J. Fisher

Robert W. Fisher and M. J. Fisher.

My Commission Expires:
LOUIS F. CONRAD-Notary Public-Cal.
COM. EXP. AUG. 27, 1971-INYO CO.
250 N. Main St., Bishop, Calif. 93514

Louis F. Conrad
Notary Public in and for



STATE OF _____ X

COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Wesley R. Fisher
71 # 24-34

STATE OF TEXAS X
COUNTY OF BEXAR X

The foregoing instrument was acknowledged before me this 27 day of APRIL, 1970, by WESLEY R. FISHER of SAN ANTONIO, TEXAS.

My Commission Expires: June 72

Miriam E. Burke
Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Mary O. Hocking Guardian of Duane F. Fisher
Mary O. Hocking, Guardian of Duane F. Fisher
m.o.h. 24-74

STATE OF TEXAS X
COUNTY OF BRAZORIA X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by MARY O. HOCKING
GUARDIAN OF DUANE F. FISHER

My Commission Expires: _____
Virginia M. Johnston
Notary Public in and for VIRGINIA M. JOHNSTON

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Marylde Fisher Morrow
F # 24-34

STATE OF Texas X
COUNTY OF Tallas X

The foregoing instrument was acknowledged before me this 22nd day of April, 1970, by Marylde Fisher Morrow

My Commission Expires: April, 1971 Z. Z. James
Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

 X Nancy Trov
 X William Trov
 2 24-34

STATE OF Oregon X
 COUNTY OF Jackson X

The foregoing instrument was acknowledged before me this 13 day of May, 1970, by _____

Nancy Trov & William Trov

My Commission Expires: Dec. 7 - 1970 P.A. James
 Notary Public in and for

STATE OF Oregon X
 COUNTY OF Jackson X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

Dec. 7 - 1970

My Commission Expires: P.A. James
 Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Patricia B. Richardson
Randolph M. Richardson

Jr #24-34-100

STATE OF New Mexico X
X
COUNTY OF Chaves X

The foregoing instrument was acknowledged before me this 13th day of April, 1970, by Randolph M. Richardson and Patricia B. Richardson, his wife

My Commission Expires:
February 3, 1971

Patricia Maty Smith
Notary Public in and for

STATE OF _____ X
X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

_____ *[Signature]* _____
_____ *7-23-33* _____

STATE OF Texas X
COUNTY OF El Paso X
X

The foregoing instrument was acknowledged before me this 6 day of May, 1970, by E. A. Elkandj.

My Commission Expires: June 1, 1971 Donna Adams
Notary Public in and for El Paso, Tex.

STATE OF _____ X
COUNTY OF _____ X
X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

[Signature]

R. Edward Warn

Ruth B. Todd

Lesley D. Warn In # 23-33

STATE OF Florida X
 COUNTY OF Pinellas X

The foregoing instrument was acknowledged before me this 5th day of May, 1970, by R. EDWARD WARN AND LESLEY D. WARN

My Commission Expires:
 Notary Public, State of Florida at Large
 My Commission Expires Jan. 17, 1972
 Bonded by Transamerica Insurance Co.

Jeanette Hatcher
 Notary Public in and for

STATE OF _____ X
 COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

 Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

X Bess E. Yearwood
7123-33

STATE OF NEW MEXICO X
X
COUNTY OF LEA X

The foregoing instrument was acknowledged before me this 5th day of May, 1970, by Bess E. Yearwood
11-16-70

My Commission Expires: _____
Willard Rackley
Notary Public in and for

STATE OF _____ X
X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

ATTEST: _____

THE WILLIAM K. WARREN FOUNDATION

By: John A. Naughton
John A. Naughton, Ass't. Secretary

John W. Glahn
Vice President

STATE OF Oklahoma X
COUNTY OF Tulsa X

The foregoing instrument was acknowledged before me this 24th day of April, 1970, by John W. Glahn, Vice President of The William K. Warren Foundation.

My Commission Expires: 3-25-72

Paul L. Barr
Notary Public in and for State of Oklahoma

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Charles B. Gonzalez
P.O. Box 2509
Santa Fe N.M. 87501
2-1-2-29-20-

STATE OF New Mexico X
COUNTY OF Bernalillo X

The foregoing instrument was acknowledged before me this 26th day of May, 1970, by Charles B. Gonzalez

My Commission Expires: May 1, 1973
Thomas A. Hernandez
Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by May

My Commission Expires: _____
Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Sipinam Inc
Gerhardt Wagner, Pres

STATE OF New York
COUNTY OF Westchester

X
X
X
21-1-3-5-7-9-10
11-12-14-16-17-19-20-
21-29-30-35-22-24-
25- - W.D

The foregoing instrument was acknowledged before me this 14 day of April, 1970, by Gerhardt Wagner, President of Sipinam, Inc.
BARTHOLOMEW F. BUTLER
Notary Public, State of New York
No. 41-0520239

My Commission Expires:

Qualified in Queens County
Cert. Filed in New York County
Commission Expires March 30, 1971

Notary Public in and for

STATE OF _____
COUNTY OF _____

X
X
X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Elizabeth Ann Villa

Joe T. Villa

Fr #1A-1-B-29-30-

STATE OF New Mexico X
COUNTY OF Santa Fe X

The foregoing instrument was acknowledged before me this 15th day of May, 1970, by _____

Elizabeth Ann Villa and Joe T. Villa

My Commission Expires:
March 12, 1973

Rosina Herrera
Notary Public in and for
County of Santa Fe
State of N.M.

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Elsie Louise Fullingim
ELSIE LOUISE FULLINGIM

2-36

STATE OF TEXAS X
COUNTY OF LUBBOCK X

The foregoing instrument was acknowledged before me this 16th day of April, 1970, by ELSIE LOUISE FULLINGIM

My Commission Expires:
June 1, 1971

PETE H. WALLER

Pete H. Waller
Notary Public in and for
Lubbock County, Texas.

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Blanche Lange Fellingina
7/21/70

STATE OF Texas X
COUNTY OF Crosby X

The foregoing instrument was acknowledged before me this 17 day of April, 1970, by Blanche Lange Fellingina

My Commission Expires:
June 1, 1971

Lessie Neukirch
Notary Public in and for Crosby
Co. Texas

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Julia Ruth Markham Proctor
Pete Proctor
22-36

STATE OF Illinois X
COUNTY OF Eaton X

The foregoing instrument was acknowledged before me this 26th day of May, 1970, by Julia Ruth Markham Proctor

My Commission Expires: 6-1-71 Frankie Kelley
Notary Public in and for

STATE OF Illinois X
COUNTY OF Eaton X

The foregoing instrument was acknowledged before me this 26th day of May, 1970, by Pete Proctor

My Commission Expires: 6-1-71 Frankie Kelley
Notary Public in and for

CONSENT AND RATIFICATION
FLYING "M" (SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO)
 : ss KNOW ALL MEN BY THESE PRESENTS: THAT,
COUNTY OF LEA)

WHEREAS, each of the undersigned does hereby acknowledge receipt of the following:

- A. Copy of Unit Agreement for the development and operation of the Flying "M" (San Andres) Unit Area embracing land situated in Lea County, New Mexico, such Agreement being dated the 1st day of September, 1966, effective May 12, 1967, recorded in Book 263, Page 974 of the Miscellaneous Records of Lea County, New Mexico.
- B. Exhibits "A" and "B" to said Unit Agreement as corrected effective July 6, 1967, recorded in Miscellaneous Book 264, Page 845 of the Deed Records of Lea County, New Mexico.
- C. Exhibits "A" and "B" to said Unit Agreement as revised effective October 1, 1967, to reflect the expansion of the Unit Area to include the E/2 SE/4 Sec. 28 (Unit Tract 28) and the W/2 SW/4 Sec. 27 (Unit Tract 29) Township 9 South, Range 33 East, NMPM.
- D. Exhibits "A" and "B" to said Unit Agreement revised effective March 5, 1970 to commit Unit Tracts 23, 24, 26, 27 and 28, which are within the Unit Area but not heretofore committed to the Unit and to reflect the expansion of the Unit Area to include the W/2 NW/4 Sec. 29 (Unit Tract 33); the W/2 SW/4 of Sec. 29 (Unit Tract 34); W/2 NW/4 of Sec. 32 (Unit Tract 35); W/2 NW/4 of Sec. 34 (Unit Tract 36); NE/4 and E/2 NW/4 of Sec. 33 (Unit Tract 30); and the SE/4 of Sec. 33 (Unit Tract 31) all in Township 9 South, Range 33 East, NMPM, and the NE/4 of Sec. 4 (Unit Tract 32) Township 10 South, Range 33 East, NMPM.

NOW, THEREFORE, for the consideration stated in the Unit Agreement and the mutual benefits to be derived, each of the undersigned, having read the above agreements, exhibits and revisions and being familiar with the terms and conditions thereof, and being owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area as indicated on the plat and

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

John Markham
Ethel L. Markham

STATE OF Texas X
COUNTY OF Tarrant X X

Box 143 #36
Solomon Texas

The foregoing instrument was acknowledged before me this 18th day of April, 1970, by John Markham and Ethel L. Markham.

My Commission Expires: June 1 1971
Notary Public in and for Tarrant County Texas
Eff. G. Year

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Jack Markham
Mary Boone Markham

STATE OF Texas X
COUNTY OF Lubbock X

The foregoing instrument was acknowledged before me this 2nd day of June, 1970, by Jack Markham & Mary Boone Markham.

My Commission Expires:
6-1-71

Anita Bridgeman
Notary Public in and for
Lubbock County, Texas

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____.

My Commission Expires: _____
Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

M.K. Dean
John Anna Dean
27436

STATE OF TEXAS X
COUNTY OF Lubbock X

The foregoing instrument was acknowledged before me this 3 day of JUNE, 1970, by M.K. DEAN

My Commission Expires:
6-1-71

Henry M. Allmon
Notary Public in and for

STATE OF TEXAS X
COUNTY OF Lubbock X

The foregoing instrument was acknowledged before me this 3 day of JUNE, 1970, by John Anna Dean

My Commission Expires:
6-1-71

Henry M. Allmon
Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Billie Joe Markham
Rose Marie Markham
27 #36

STATE OF Aljona X
COUNTY OF Mauvegas X

The foregoing instrument was acknowledged before me this 6th day of June, 1970, by Billie Joe and Rose Marie Markham

My Commission Expires: _____
My Commission Expires April 1, 1973
Sandra M. Freund
Notary Public in and for

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

C.B. Markham Jr _____

Bessie Markham _____

Fr # 34

STATE OF New Mexico X
COUNTY OF Sierra X

The foregoing instrument was acknowledged before me this 15 day of April, 1970, by C.B. Markham Jr and Bessie Markham

My Commission Expires: Aug 4, 1971 John Puff
Notary Public in and for Sierra Co. N.M.

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires: _____
Notary Public in and for _____

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Sallie Mae Markham White
A.D. White

27 36

STATE OF Texas X
COUNTY OF Subhook X

The foregoing instrument was acknowledged before me this 2nd day of June, 1970, by Sallie Mae Markham White & A.D. White

My Commission Expires:
6-1-71

Anita Bridgeman
Notary Public in and for
Subhook County

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Fanny Gae Markham Ratcliff
(A widow)
SS # [REDACTED]
Box 656, Pharr, Texas 77560
78377

STATE OF Texas X
COUNTY OF Hidalgo X

The foregoing instrument was acknowledged before me this 28th day of May, 1970, by Fanny Gae Markham Ratcliff
(A widow)

Leonila Z. Hernandez
Notary Public in and for

My Commission Expires:
6-1-71
Leonila Z. Hernandez

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

Notary Public in and for

My Commission Expires:

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests, to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

O. D. McCoy

O. D. McCoy

Rosa Mae McCoy

Rosa Mae McCoy

27-28

STATE OF TEXAS X
 COUNTY OF LUBBOCK X

The foregoing instrument was acknowledged before me this 25th day of May, 1970, by O. D. McCoy and

Rosa Mae McCoy

My Commission Expires:
 June 1, 1971

Robbie Roggin

Notary Public in and for
 Lubbock County, Texas

STATE OF _____ X
 COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

Eula F. Corley
#26-

STATE OF Texas X
COUNTY OF Tom Green X

The foregoing instrument was acknowledged before me this 9th day of May, 1970, by Eula F. Corley

My Commission Expires: 6-1-70

Therese Wood
Notary Public in and for Tom Green
County, Texas

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

Notary Public in and for

schedule identified as Exhibits "A" and "B" to said Unit Agreement revised effective March 6, 1970 and March 5, 1970, respectively, described under D. above, does hereby commit all of said interests to the Flying "M" (San Andres) Unit Agreement as revised and amended and does hereby consent thereto and ratify all the terms and provisions thereof exactly as if the undersigned had executed the original Unit Agreement or a counterpart thereof.

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

[Handwritten Signature]
2-126

STATE OF TEXAS X
COUNTY OF HARRIS X

The foregoing instrument was acknowledged before me this 30th day of April, 1970, by _____

Alfred W. Lasher, Jr.

My Commission Expires:
June 1, 1971

[Handwritten Signature]
Notary Public in and for
Harris County, Texas

STATE OF _____ X
COUNTY OF _____ X

The foregoing instrument was acknowledged before me this _____ day of _____, 1970, by _____

My Commission Expires:

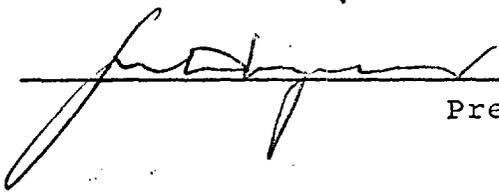
Notary Public in and for

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of December, 1966, effective May 12, 1967, and Exhibits "A" and "B" as revised effective 10-1-, 1967, to reflect the expansion of the unit area to include E/2 SE/4 Section 28 (Unit Tract No. 28) and W/2 SW/4 Section 27 (Unit Tract No. 29) T-9-S, R-33-E, N.M.P.M., and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

Sipanam, Inc.



President

STATE OF NEW YORK X
 X
COUNTY OF NEW YORK X

The foregoing instrument was acknowledged before me this 14 day of October, 1967, by GERHARD WAGNER, President of Sipanam, Inc., on behalf of said corporation.

MY COMMISSION EXPIRES:
March 30, 1968



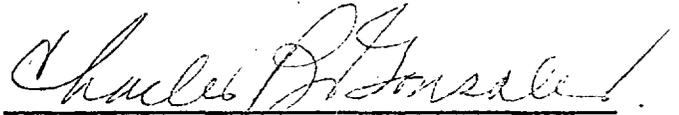
Notary Public, County of _____

WILLIAM McCABE
Notary Public, State of New York
No. 03-7789711
Qualified in Bronx County
Cert. filed with N. Y., Kings, Queens,
Richmond, Westchester, Nassau
Counties Clerks
Term Expires March 30, 1968

CONSENT AND RATIFICATION.
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Flying "M"-San Andres Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 1st day of December, 1966, effective May 12, 1967, and Exhibits "A" and "B" as revised effective 10-1-, 1967, to reflect the expansion of the unit area to include E/2 SE/4 Section 28 (Unit Tract No. 28) and W/2 SW/4 Section 27 (Unit Tract No. 29) T-9-S, R-33-E, N.M.P.M., and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or interests in the lands or minerals embraced in said unit area, as indicated on the schedule attached to said unit agreement as Exhibit "B", do hereby commit all of their said interests to the Flying "M"-San Andres Unit Agreement, and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

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

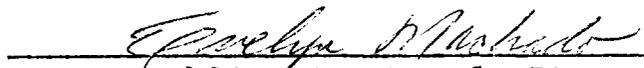

Charles B. Gonsales

STATE OF Arizona X
COUNTY OF Pima X

The foregoing instrument was acknowledged before me this 6th day of October, 1967, by Charles B. Gonsales

MY COMMISSION EXPIRES:

My Commission Expires June 29, 1971


Notary Public, County of Pima, Ariz.

CONSENT AND RATIFICATION
FLYING "M"-SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO

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

ATTEST:

COASTAL STATES GAS PRODUCING COMPANY *See*

[Signature]
Assistant Secretary

By *[Signature]*
C. H. Atchison, Vice President *Wife*

STATE OF TEXAS X
 X
COUNTY OF NUECES X

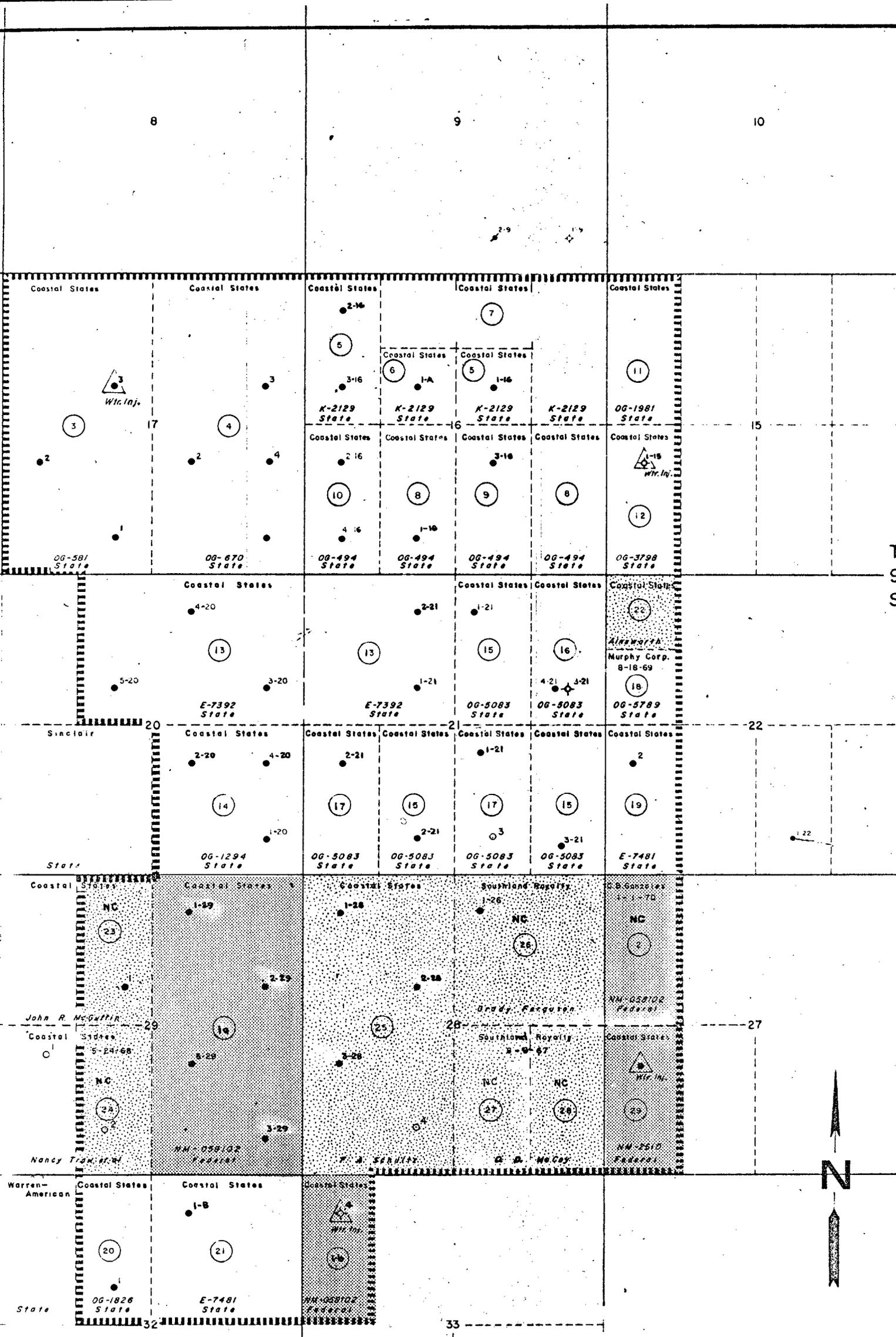


The foregoing instrument was acknowledged before me this 19th day of October, 1967, by *[Signature]*, Vice President of COASTAL STATES GAS PRODUCING COMPANY, a Delaware Corporation.

MY COMMISSION EXPIRES:
[Signature]

[Signature]
Notary Public, County of Nueces, Texas

FAYE MORRISON
Notary Public, in and for Nueces County, Texas



LEGEND

-  Unit Area
-  Tract Number
-  State Lands (66.981 % of Unit Area)
-  Federal Lands (13.208 % of Unit Area)
-  Fee Lands (19.811 % of Unit Area)
-  Not Committed to Unit

R 33 E

COASTAL STATES GAS PRODUCING COMPANY

PETROLEUM TOWER
CORPUS CHRISTI, TEXAS

FLYING 'M' FIELD
LEA COUNTY, NEW MEXICO
REVISED EXHIBIT "A"
SAN ANDRES UNIT

0 2 4
THOUSAND FEET

Revised Date: 10-1-67

