

BEFORE EXAMINER CATANACH

OIL CONSERVATION DIVISION

CHEVRON EXHIBIT NO. 33

CASE NO. 10059-61

UNIT AGREEMENT
AND EXHIBITS "A" & "B"

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

EFFECTIVE DATE
FEBRUARY 1, 1985

UNIT AGREEMENT
EUNICE MONUMENT SOUTH UNIT
LEA COUNTY, NEW MEXICO

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

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

WITNESSETH:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 8. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender its resignation as Unit Operator or shall be removed as hereinabove provided, the Working Interest Owners shall select a successor Unit Operator as herein provided. Such selection shall not become effective until (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Land Commissioner and the A.O. If no successor Unit Operator or Unit Manager is selected and qualified as herein provided, the Land Commissioner and/or the A.O., at their election, may declare this Agreement terminated.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (a) all Newly Discovered Tracts have been so allocated a number of barrels of imputed newly discovered crude oil equal to the total number of barrels of crude oil allocable out of unit production to such Tracts in accordance with their Tract Participations; or
- (b) there is no imputed newly discovered crude oil remaining to be allocated,

whichever occurs first.

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

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

- (a) all Stripper Tracts have been so allocated a number of barrels of imputed stripper crude oil equal to the total number of barrels of crude oil allocable out of unit production to such Tracts in accordance with their Tract Participations; or
- (b) there is no imputed stripper crude oil remaining to be allocated,

whichever comes first.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Executed as of the day and year first above written.

GULF OIL CORPORATION *KBS*

By *L. A. Turner*
Attorney-in-Fact

Date of Execution:

June 22, 1984

THE STATE OF TEXAS \$
COUNTY OF MIDLAND \$

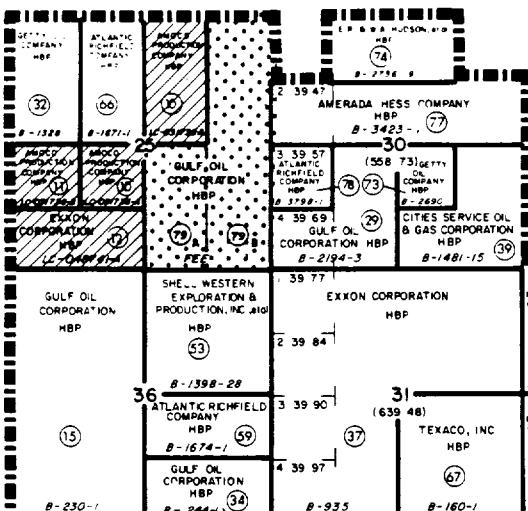
The foregoing instrument was acknowledged before me this
22nd day of June, 1984, by L. A. Turner,
Attorney-in-Fact, for/of Gulf Oil Corporation,
a Pennsylvania corporation, on behalf of said corporation.

My Commission Expires:

7-30-88

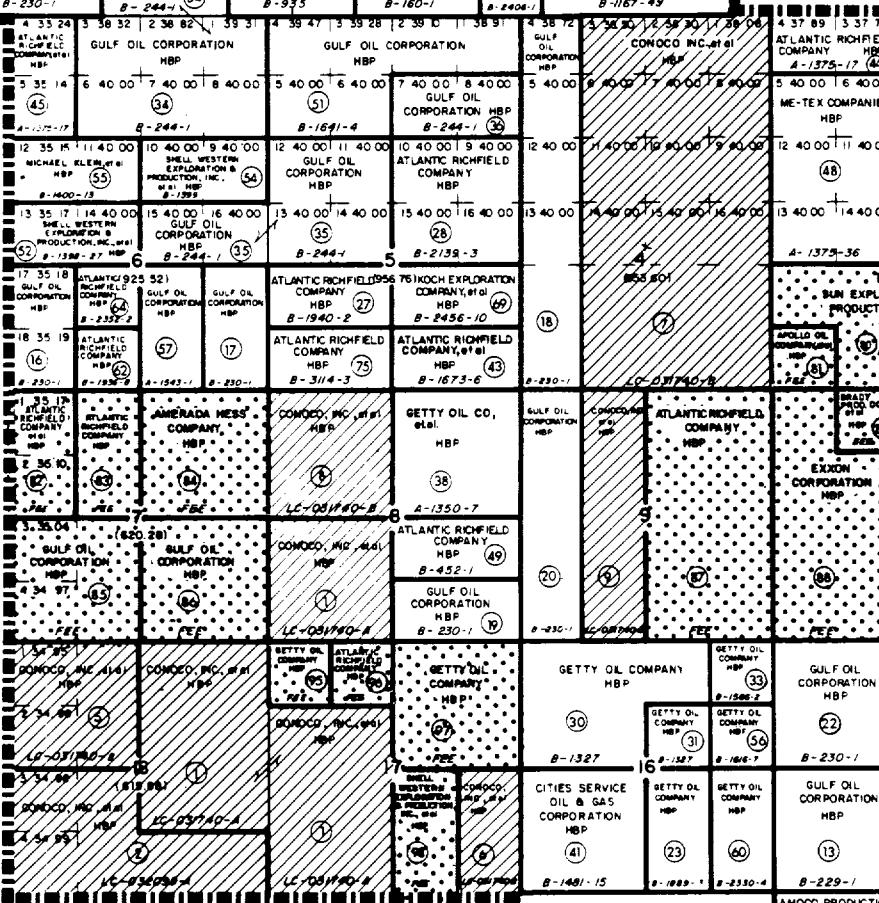
Carolyn D. Larson

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

■ ■ ■ ■ ■ UNIT OUTLINE

③ TRACT NUMBER

1 1/2 0 1

SCALE IN MILES

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

EXHIBIT "A"

EUNICE MONUMENT SOUTH UNIT AREA

LEA COUNTY, NEW MEXICO

GULF OIL CORPORATION
MIDLAND, TEXAS

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

September 27, 1984

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

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
2. Lockhart "A-18" (was Tract 82)	T21S-R36E, N.M.P.M. Sec. 18: Lots 3,4, E½ SW¼ S½ SE¼	229.97	LC-032099-A HBP 6/23/31 Exchanged	U.S.A. Schedule "C"	Conoco Inc. Amoco Production Company Atlantic Rich- field Company Chevron U.S.A. Inc.	Amax Petroleum Corp. Amoco Production Co. .05555* .66667* .00130*	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	.921406 25% 25% 25% 25%
					Betty B. Beare Beatrice Christman Bell Estate Cecil P. Bordages, II Joyce Bordages Boys Clubs of America Braille Institute of America Agency No. 631-00 Kathryn M. Byrd Jean K. Cline Richard L. Cline, Jr. Virginia M. Drake Elks Nat'l Fdn, New England Merchants Nat'l Bank, Boston Elliott Oil Company Etz Oil Properties, Inc. George H. Etz, Jr., Trustee George H. Etz, Sr. Trust First Nat'l Bank Denver, Trustee U/W of Josephine M. Smith, Dec'd .37292* Barbara Christman Farrell Dolores Gilmer Heirs Manufacturers Hanover Trust Co. Oil Successor Trustee	Beate .00782* .07291* .07292* .03333* Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	25% 25% 25% 25% 25%	
					Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	.921406 25% 25% 25% 25%	
					David M. Warren, Jr. Ellen Anne W. Williams Annabel Winningham The Wiser Oil Co., 27631	David M. Warren, Jr. Ellen Anne W. Williams Annabel Winningham The Wiser Oil Co., 27631		

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

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
3. Lockhart "B-14" (was Tract 97)	T21S-R36E ² , N.M.P.M. Sec. 14; NW _{1/4} NW _{1/4}	320.00	LC-032099-B HBP 6/23/31 Exchanged 7/1/52	U.S.A. Schedule "D"	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.647555	Edith G. Socolow & A. Walter Socolow, Trustees U/A dated 11-24-76 .05556*
4. Lockhart "B-13" (was Tract 116)	T21S-R36E, N.M.P.M. Sec. 13; NW _{1/4} NW _{1/4}	40.00	LC-032099-B HBP 6/23/31 Exchanged 7/1/52	U.S.A. Schedule "D"	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.070883	*By court decision, oil production ORRI is 6.9078% when average leasehold production per well is more than 15 BPD, and by agreement, ORRI on oil is 5% when average production per well per day is 15 bbls or less.
5. Meyer "B-18" (was Tract 80)	T21S-R36E, N.M.P.M. Sec 18; Lots 1,2, E _{1/2} NW _{1/4}	149.91	LC-031740-B HBP 10/26/34 Exchanged 10/1/54 Exchanged 10/1/54	U.S.A. Schedule "D"	Conoco Inc. Amoco Production Company Atlantic Richfield Company Chevron U.S.A. Inc.	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	.254760	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%
6. Meyer "B-17" (was Tract 87)	T21-T36E, NM.MP.M. Sec. 17; E _{1/2} SE _{1/4}	80.00	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None	.323144	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
7. Meyer "B-4" (was Tract 48)	T21S-R36E, N.M.P.M. Sec. 4: Lots 1,2,3,6, 7,8,9,10,11, 14,15,16, E½SW¼, SEC	714.88	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	6.664506
8. Meyer "B-8" (was Tract 59)	T21S-R36E, N.M.P.M. Sec. 8: NW¼	160.00	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Schedule "D"	Lois E. Meyer	None	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	9.059453
9. Meyer "B-9" (was Tract 65)	T21S-R36E, N.M.P.M. Sec. 9: E½NW¼	160.00	LC-031740-B HBP 10/26/34 Exchanged 10/1/54	U.S.A. Scheduled "D"	Lois E. Meyer	None	Conoco Inc. 25% Amoco Production Company 25% Atlantic Richfield Company 25% Chevron U.S.A. Inc. 25%	1.326104
10. Gilluly "A" (was Tract 3)	T20S-R36E, N.M.P.M. Sec. 25: W½NE½, NE½SW¼	120.00	LC-031736-A HBP 3/30/37 Exchanged 3/1/57	U.S.A. Schedule "C"	Amoco Production Company	Selma E. Andrews Trust #5188 .2.68525 C. R. Brauchli .01116 Roy P. and Doris M. Dolley Claradean Gallant .12500 Marvin G. Jenkins .25000 Leonard D. Keefer .37500 Julia H. Payne .01696 Julia H. Payne, individually and as Trustee u/w of Weston Payne .02768 Ethel R. Pease Trust and Ethel R. Pease, Trustee under Declaration of Trust dated 4/19/77 .25000 Union Texas Petroleum Corporation .32366 (When production is in excess of 15 BOPD, and .21580 when 15 BOPD or less) Elmer H. Wahl, Inc. .04465	Amoco Production Company 100%	.584461

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>	
11. Gilluly "B" Federal (was Tract 4)	T20S-R36E, N.M.P.M. Sec. 25: NW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	LC-031736-B HBP 3/30/37 Exchanged 3/1/57	U.S.A. Schedule "C"	Amoco Production Company	None	Amoco Production Company 100%	.027077	
12. Popeano Federal (was Tract 6)	T20S-R36E, N.M.P.M. Sec. 25: S $\frac{1}{2}$ SW $\frac{1}{4}$	80.00	LC-048741-A HBP 7/1/37 Renewal 7/1/77	U.S.A. Schedule "C"	Exxon Corporation	Robert M. Light Stanley W. Light E. W. Mendez George D. Riggs Neil T. Christensen Thayer P. Christensen Ronald K. DeFord Nellie P. Popeano Ray Hobbs Bradley T. Light R.S. and J.W. Light Donald Light Kilgore	Exxon Corporation .04246 .04246 .19955 .78120 .04246 .04246 .78130 .78130 .00849 .04247 .35239 .04247	.04246 .04246 .19955 .78120 .04246 .04246 .78130 .78130 .00849 .04247 .35239 .04247	.151224
12 FEDERAL TRACTS TOTALING	2,734.76	ACRES OR 19.27% OR UNIT AREA							

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

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
24. State "G" (was Tract 103)	T21S-R36E N.M.P.M. Sec. 21; <u>SE$\frac{1}{4}$NE$\frac{1}{4}$</u>	40.00	B-1651-4 HBP 9/18/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company	.277424
25. State "D"- Battery 2 (was Tract 75)	T21S-R36E N.M.P.M. Sec. 11; <u>SW$\frac{1}{4}$</u>	160.00	B-1537 HBP 9/25/28	State of New Mexico 12 $\frac{1}{2}$	Conoco Inc.	None	Conoco Inc.	100% .474353
26. State "D" (was Tract 96)	T21S-R36E N.M.P.M. Sec. 15; <u>E$\frac{1}{2}$</u>	320.00	B-1537 HBP 9/25/28	State of New Mexico 12 $\frac{1}{2}$	Conoco Inc.	None	Conoco Inc.	100% 1.957890
27. State "E" (was Tract 43)	T21S-R36E N.M.P.M. Sec. 5; <u>N$\frac{1}{2}$SW$\frac{1}{4}$</u>	80.00	B-1940-2 HBP 10/1/28	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Company 100%	2.680609
28. State "H" (was Tract 42)	T21S-R36E N.M.P.M. Sec. 5; Tots 9,10, 15, 16	160.00	B-2139-3 HBP 10/5/28	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Company 100%	.934498
29. Sunshine (was Tract 10)	T20S-R37E N.M.P.M. Sec. 30; <u>Lot 4,</u> <u>E$\frac{1}{2}$SW$\frac{1}{4}$</u>	119.69	B-2194-3 HBP 10/26/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.405359
30. Skelly "B" State (was Tract 88)	T21S-R36E N.M.P.M. Sec. 16; <u>NW$\frac{1}{4}$, NW$\frac{1}{4}$NE$\frac{1}{4}$</u>	200.00	B-1327 HBP 11/2/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Co. Company 100%	1.328423
31. Mexico "V" (was Tract 117)	T21S-R36E N.M.P.M. Sec. 16; <u>SW$\frac{1}{4}$NE$\frac{1}{4}$</u>	40.00	B-1327 HBP 11/2/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.137520
32. Skelly "H" State (was Tract 1)	T20S-R36E N.M.P.M. Sec. 25; <u>W$\frac{1}{2}$NW$\frac{1}{4}$</u>	80.00	B-1328 HBP 11/2/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.427150
33. State "A/W" (was Tract 89)	T21S-R36E N.M.P.M. Sec. 16; <u>NE$\frac{1}{4}$NE$\frac{1}{4}$</u>	40.00	B-1566-2 HBP 11/20/28	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Company 100%	.169794
34. H. T. Orcutt (NCT-C) (was Tract 20)	T20S-R36E N.M.P.M. Sec. 36; <u>S$\frac{1}{2}$SE$\frac{1}{4}$</u>	316.45	B-244-1 HBP 11/22/28	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	3.559765
	T21S-R36E N.M.P.M. Sec. 6; Lots 1,2,3, 6,7,8							

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
35. H. T. Orcutt (NCT-A) (was Tract 34)	T21S-R36E, N.M.P.M. Sec. 5: Lots 11,12, 13, 14	240.00	B-244-1 HBP 2/28/28	Gulf Oil Corporation None	Gulf Oil Corporation 100%	Gulf Oil Corporation 100%	Gulf Oil Corporation 100%	1.701394
36. H. T. Orcutt (NCT-B) (was Tract 40)	T21S-R36E, N.M.P.M. Sec. 5: Lots 7,8	80.00	B-244-1 HBP 11-22-28	State of New Mexico 12½	Gulf Oil Corporation None	Gulf Oil Corporation 100%	Gulf Oil Corporation 100%	.361025
37. Aggies State (was Tract 21)	T20S-R37E, N.M.P.M. Sec. 31: Lots 1,2, 3,4 E½W½, NE½	479.48	B-935 HBP 11-22-28	State of New Mexico 12½	Exxon Corporation None	Exxon Corporation 100%	Exxon Corporation 100%	1.962315
38. State "A" (was Tract 60)	T21S-R36E, N.M.P.M. Sec. 8: NE½	160.00	A-1350-7 HBP 11/26/28	State of New Mexico 12½	Gulf Oil Corporation None	Gulf Oil Corporation 50%	Gulf Oil Corporation 50%	1.770012
39. State "F" (was Tract 13)	T20S-R37E, N.M.P.M. Sec. 30: E½SE½, SW½SE½	120.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Service Oil & Gas Corporation None	Cities Service Oil & Gas Corporation 100%	Cities Service Oil & Gas Corporation 100%	.244360
40. Rasmussen State (was Tract 70)	T21S-R36E, N.M.P.M. Sec. 2: SW½SW½	40.00	B-1481-15 HBP 2/28/28	State of New Mexico 12½	Cities Service Oil & Gas Corporation None	Pinto Exploration Company .84875	Doyle Hartman Carl Pfluger 66.6666% 33.3333%	.076549
41. State "G" (was Tract 91)	T21S-R36E, N.M.P.M. Sec. 16: SW½	160.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Services Oil & Gas Corporation None	Cities Service Oil & Gas Corporation 100%	Doyle Hartman Carl Pfluger 50% 50%	.751093
42. State "G" (was Tract 113)	T21S-R36E, N.M.P.M. Sec. 2: SE½SW½	40.00	B-1481-15 HBP 11/26/28	State of New Mexico 12½	Cities Service Oil & Gas Corporation None	Doyle Hartman Carl Pfluger 50% 50%	Doyle Hartman Carl Pfluger 50% 50%	.064967
43. State "G" (was Tract 46)	T21S-R36E, N.M.P.M. Sec. 5: S½SE½	80.00	B-1673-6 HBP 11/30/28	State of New Mexico 12½	Atlantic Richfield Co. Getty Oil Co.	Atlantic Richfield Company 50% Getty Oil Co. 50%	Atlantic Richfield Company 50% Getty Oil Co. 50%	1.269324
44. State "L" (was Tract 49)	T21S-R36E, N.M.P.M. Sec. 3: Lots 3,4	75.59	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	Atlantic Richfield Company 50% Catron W.I. 50%	Atlantic Richfield Company 50% Catron W.I. 50%	.126788

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
45. State "L" (was Tract 28)	T21S-R36E N.M.P.M. Sec. 6: Lots 4,5,	68.38	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. Catron W.I. 50% 50%	.477689
46. State "L" Battery 3 (was Tract 72)	T21S-R36E N.M.P.M. Sec. 11: SW½NW½	40.00	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. Catron W.I. 50% 50%	.270790
47. State "L" - Battery 4 (was Tract 106)	T21S-R36E N.M.P.M. Sec. 22: SE½NW½	40.00	A-1375-17 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Company	None	Atlantic Richfield Company Catron W.I. 50% 50%	.265867
48. Wallace State (was Tract 50)	T21S-R36E N.M.P.M. Sec. 3: Lots 5,6, 11,12,13,14	240.00	A-1375-36 HBP 12/5/28	State of New Mexico 12½	Thomas B. Catron, III and John S. Catron	Thomas B. Catron, III and John S. Catron 12.5%	Me-Tex Companies Thomas B. Catron, III and John S. Catron 6.5% Thomas B. Catron, III Trustee U/W/J/O Sue C. Berger 6.5%	.290369
49. State "B" (was Tract 62)	T21S-R36E N.M.P.M. Sec. 8: NE½SE½	80.00	B-452-1 HBP 12/5/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.751002
50. State "O" (was Tract 23)	T20S-R37E N.M.P.M. Sec. 32: W½NW½	80.00	B-2288-3 HBP 12/13/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.050367
51. Healsey State (was Tract 39)	T21S-R36E N.M.P.M. Sec. 5: Lots 1,2,3, 4,5,6	236.76	B-1641-4 HBP 12/17/28	State of New Mexico 12½	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	2.723870
52. State "F" (was Tract 33)	T21S-R36E N.M.P.M. Sec. 6: Lots 13,14	75.17	B-1398-27 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc. and El Paso Natural Gas Co.	None	Shell Western Exploration & Production, Inc. 100%	.237670
53. State "K" (was Tract 18)	T20S-R36E N.M.P.M. Sec. 36: NE½	160.00	B-1398-28 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc. and El Paso Natural Gas Co.	None	Shell Western Exploration & Production, Inc. 100%	5.112412
54. State "EE" (was Tract 32)	T21S-R36E N.M.P.M. Sec. 6: Lots 9,10	80.00	B-1399-15 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc.	None	Shell Western Exploration & Production, Inc.	.485839

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
55. State "G" (was Tract 31)	T21S-R36E, N.M.P.M. Sec. 6: Lots 11,12	75.15	B-1400-13 HBP 12/26/28	State of New Mexico 12½	Shell Western Exploration & Production, Inc. and El Paso Natural Gas Co.	and El Paso Natural Gas Co.		100%
56. State "AX" (was Tract 90)	T21S-R36E, N.M.P.M. Sec. 16: SE½NE½	40.00	B-1616-7 HBP 12/27/28	State of New Mexico 12½	Getty Oil Company	Getty Oil Company	John H. Hendrix 30% Bruce A. Wilbanks 28.75% Michael Klein 14.375% Suzanne H. Klein 14.375% Thomas W. Ellison 6.25% Mrs. Ethel T. Dennis 6.25%	.221097
57. Graham State (NCT-"E") (was Tract 37)	T21S-R36E, N.M.P.M. Sec. 6: W½SE½	80.00	A-1543-1 HBP 12/29/28	State of New Mexico 12½	Gulf Oil Corporation	Gulf Oil Corporation	Gulf Oil Corporation 100%	.520475
58. State "C"- Tract 11 (was Tract 114)	T21S-R36E, N.M.P.M. Sec. 2: S½SE½	80.00	B-1557 HBP 12/29/28	State of New Mexico 12½	Amoco Production Company	Amoco Production Company	Amoco Production Company 100%	.031885
59. State "M"- Tract 19 (was Tract 114)	T20S-R36E, N.M.P.M. Sec. 36: N½SE½	80.00	B-1674-1 HBP 12/31/28	State of New Mexico 12½	Atlantic Richfield Co.	None	Atlantic Richfield Co. 100%	.882435
60. State "E" (was Tract 93)	T21S-R36E, N.M.P.M. Sec. 16: E½SE½	80.00	B-2330-4 HBP 12/31/28	State of New Mexico 12½	Getty Oil Co.	None	Getty Oil Co. 100%	.559636
61. State "I" (was Tract 104)	T21S-R36E, N.M.P.M. Sec. 22: N½NW½	80.00	A-1573-5 HBP 1/3/29	State of New Mexico 12½	Amoco Production Company	First National Bank of Midland, Trustee of the Dorothy Louise Henderson Trust No. 862 .13021 First National Bank of Midland, Independent Executor of the Estate of A.N. Hendrickson Trust No. 1851 1.56250 First National Bank of Midland Trustee of the Jeanne Edna Hunt Trust No. 863 .13021	Amoco Production Company 50.87% Landreth Production Corporation (carried working interest) 49.13%	.391924

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	SERIAL NO. AND EFFECTIVE DATE	BASIC ROYALTY OWNER AND PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
62. State "K" (was Tract 36)	T21S-R36E, N.M.P.M. Sec. 6: S $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$	40.00 B-1936-8 HBP 1/11/29	First National Bank of Midland, Trustee of the Patricia Olson Trust No. 2090-12 .01953	First National Bank of Midland, Trustee of the Donald Thompson Trust No. 2091-12 .01953	First National Bank of Midland, Trustee of the Franklin G. Thompson Trust No. 1981-12 .09766	First National Bank of Midland, Trustee of the Franklin Thompson, Jr. Trust No. 2093-12 .01953	First National Bank of Midland, trustee of the Sadie Watson Trust No. 1406 .39063
63. Turner State	T20S-R37E N.M.P.M. Sec. 32: E $\frac{1}{2}$ NNW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$	160.00 B-1463-3 HBP 1/11/29	State of New Mexico Bert Fields, Jr.	Atlantic Richfield Co.	First Hutchings-Sealy National Bank of Galveston .285	F. W. Turner, Jr. Estate .37.5% Bert Fields, Jr. 25% J. F. Shelby Estate 25% W. A. and E. R. Hudson 10.625% E. R. Hudson, Agent 1.875%	.232476*

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
(A) (Was Tract 24) Sec. 32: E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ (120.00)								*(.029058)
(B) (Was Tract 118) Sec. 32: NW $\frac{1}{4}$ NE $\frac{1}{4}$ (40.00)								*(.203418)
64. State "K" (was Tract 36)	T21S-R36E, N.M.P.M. Sec. 6; NE $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	B-2352-2 HBP 1/11/29	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co. None	Fred Turner, Jr. Estate, 75.00%*	F.W. Turner, Jr. Estate, 32.1429%*	
65. State "AY" (was Tract 25)	T20S-R37E, N.M.P.M. Sec. 32; E $\frac{1}{2}$ NE $\frac{1}{4}$	80.00	B-2366-8 HBP 1/11/29	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Co. None	W.A. and E.R. Hudson, 21.25%*	Bert Fields, Jr. 28.5714%*	
66. State "P" (was Tract 2)	T20S-R36E, N.M.P.M. Sec. 25; E $\frac{1}{2}$ NW $\frac{1}{4}$	80.00	B-1671-1 HBP 1/14/29	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co. None	E.R. Hudson, 3.75%*	J.F. Shelby Estate 28.5714%*	
67. State "H"(NCT-1) (was Tract 22)	T20S-R37E, N.M.P.M. Sec. 31; SE $\frac{1}{4}$	160.00	B-160-1 HBP 1/15/29	State of New Mexico 12 $\frac{1}{2}$	Texaco Inc. None	Agent 1.6072%*	W.A. and E.R. Hudson, 9.1071%*	
68. State "196" (was Tract 26)	T20S-R37E, N.M.P.M. Sec. 32; W $\frac{1}{2}$ SW $\frac{1}{4}$	80.00	B-2406-1 HBP 1/15/29	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co. None	Atlantic Richfield Co. 100%	E.R. Hudson, 3.75%*	
69. State "A" (was Tract 44)	T21S-R36E, N.M.P.M. Sec. 5; N $\frac{1}{2}$ SE $\frac{1}{4}$	80.00	B-2456-10 HBP 2/26/29	State of New Mexico 12 $\frac{1}{2}$	Koch Industries Inc.	Stephen L. Chandler 14.0625% First National Bank FBO Tupper Ansel Blake 14.0625% Smiser Investment Co. 5%	Koch Exploration 95% First National Bank Wichita, Trustee U/W of William E. Perdew	.343778

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>SERIAL NO. AND EFFECTIVE DATE</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
70. State "J" (was Tract 27)	T20S-R37E, N.M.P.M. Sec. 32: SE $\frac{1}{4}$, E $\frac{1}{4}$ SW $\frac{1}{4}$	240.00	B-1167-49 HBP 9/15/32	State of New Mexico 12%	El Paso Natural Gas Company and Shell Western Exploration and Production, Inc.	None	9.375%	.287522
71. Harry Leonard (NCT-A) (was Tract 107)	T21S-R36E, N.M.P.M. Sec. 22: NE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$	320.00	B-1732-1 HBP 2/28/33	State of New Mexico 12 $\frac{1}{2}$	Gulf Oil Corporation	None	Gulf Oil Corporation 100%	.825987
72. State "B" (was Tract 73)	T21S-R36E, N.M.P.M. Sec. 11: SE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00	B-2527-12 HBP 2/10/34	State of New Mexico 12 $\frac{1}{2}$	Two States 011 Company	None	Two States Oil Company 81.25% The Herman R. Cripe Sr. Revoc- able Trust dated 9-28-76 18.75%	.073299
73. Skelly "G" (was Tract 12)	T20S-R37E, N.M.P.M. Sec. 30: NW $\frac{1}{4}$ SE $\frac{1}{4}$	40.00	B-2690 HBP 4/2/34	State of New Mexico 12 $\frac{1}{2}$	Getty Oil Company	None	Getty Oil Co. 100%	.081241
74. Phillips (was Tract 7)	T20S-R37E, N.M.P.M. Sec. 30: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$	80.00	B-2736-9 HBP 4/10/34	State of New Mexico 12 $\frac{1}{2}$	Wm. A. and Edward R. Hudson	William A. Hudson .072917 B.D. and Edward R. Hudson .145833	W.A. and E.R. Hudson 85% E.R. Hudson, Agent 15%	.029017
75. State "G" (was Tract 45)	T21S-R36E, N.M.P.M. Sec. 5: S $\frac{1}{2}$ SW $\frac{1}{4}$	80.00	B-3114-3 HBP 9/24/34	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	Bradley Resources Corp. 5.46870	Atlantic Richfield Company 100%	.693134
76. State "J" (was Tract 105)	T21S-R36E, N.M.P.M. Sec. 22: SW $\frac{1}{4}$ NW $\frac{1}{4}$	40.00	B-3114-4 HBP 9/24/34	State of New Mexico 12 $\frac{1}{2}$	Amoco Production Co.	None	Atlantic Richfield Company 37.5% Amoco Production Co. Landreth Production Corporation (carried working interest) 30.706%	.233315
77. State "W" (was Tract 8)	T20S-R37E, N.M.P.M. Sec. 30: Lot 2, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$	159.47	B-3423-1 HBP 10/29/34	State of New Mexico 12 $\frac{1}{2}$	Amarada Hess Corporation	None	Amarada Hess Corporation 100%	.148770
78. State "193" (was Tract 9)	T20S-R37E, N.M.P.M. Sec. 30: Lot 3	39.57	B-3798-1 HBP 4/22/35	State of New Mexico 12 $\frac{1}{2}$	Atlantic Richfield Co.	None	Atlantic Richfield Company 100%	.055491
66 STATE	TRACTS	TOTALING	8,274.80	ACRES	OR	58.32% OF	UNIT AREA	

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT	
				OVERRIDING ROYALTY OWNER AND PERCENTAGE			
PATENTED LANDS:							
79. White (NCT-A) (was Tract 5)	T ² OS-R36E, N.M.P.M. Sec. 25: E ₂ NE ₂ , SE ₂	240.00	HBP	See "A" and "B" below	None	Gulf Oil Corporation 100%	
A.	Sec. 25: W ₂ SE _{1/4}	(80.00)				(.127211)*	
B.	Sec. 25: E _{1/2} E ₂	(160.00)					
				Marguerite H. Pettway .19530 Susan Trimble Eubank .19530 Gean Trimble Heidmann .19530 John R. Hudspeth .19530 Union Texas Petroleum 1.17190 James Seth .39060 Oliver Seth .39060 Burford I. King, Trustee .58590 W. W. White, First National Bank of Denver, Lawrence W. White, Trust 7.81250 Weston Payne Trust .04842 Julia H. Payne .02968 Ruth G. Pickens Grandchildrens Joint Venture .78130 Sun Exploration & Production .23440			
						(.587097)*	
				Marguerite H. Pettway .19530 Susan Trimble Eubank .19530 Gean Trimble Heidmann .19530 John R. Hudspeth .19530 James Seth .39060 Oliver Seth .39060 W. W. White and The Merchants National Bank of Cedar Rapids, Iowa 3.64586 W. W. White 3.64584 First National Bank of Denver Lawrence W. White Family Trust 1.82290 Henry Vandenburg, Trustee U/W/O Virgil White 1.82300			
				See "A" and "B" below	None		
					Sun Exploration and Production Company 100%	.498853*	
80. Akens (was Tract 51)	T21S-R36E, N.M.P.M. Sec. 3: SE ₂ , NW ₂ SE ₂ SW ₂	280.00	HBP			*(.226552)	
A.	Sec. 3: SE ₂	(160.00)					
				Atlantic Richfield Company Marjorie Cone Kastman	2.083400 .253900		

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
			LEASE STATUS			
S. E. Cone, Jr.		.253900				
Wilma Leigh Sparks		.270840				
Clovilla Martin		.270840				
Janie Waide Dean		.270840				
Hafford Akens		.270840				
Rowland Akens		.270840				
Tortuga Oil & Gas, Inc.		.013100				
Grace M. Larson		.000500				
Katherine Cone Keck		.253900				
John R. Royall Tr. U/W of						
Fannie May Royall, Dec'd		.001734				
N. R. Royall, III Tr. U/W of						
Fannie May Royall, Dec'd		.001733				
Tucker K. Royall Tr. U/W of						
Fannie May Royall, Dec'd		.001733				
Liston Archer		.020900				
David A. Bower, Agent		.046200				
Jo Layne Antry		.156200				
Penn Brothers, Inc.		.356500				
J. R. Bower, Jr.		.135800				
Est. of O. L. Coleman, Dec'd.						
c/o Emma Liston Archer Trst.		.395800				
American State Bank, TTEE of						
James Robert Nislar Tr.						
American State Bank, TTEE of		.048825				
O. L. Nislar, Jr. Tr.		.048825				
Ora Lee Nislar		.097650				
First National Bank and Vena						
H. Long, Ind. Exec. est. of						
F. O. Long, Dec'd.						
No. 222-0593		.001000				
Mobil-G. C. Corporation		1.562500				
Eunice Cone Gibson		.117200				
Everett R. Jones, Jr.		.015400				
Charles W. Grimes II and						
Philo W. Grimes, TTEE of the						
C. W. Grimes Trust		.302800				
Mrs. Exor Megan, Gdn of Est.						
o Maude Eagle Pfouts NCM		.000500				
Mobil Oil Corporation		3.12500				
Nancy Eliz. Penson		1.069700				
Petrust Corp. of America						

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

B.

Sec. 3: N₂SW₁
SE₁SW₂

(120.00)

*(.272301)

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	LEASE ACRES	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
			LEASE STATUS			
	est. of Nellie P. Hyland, Dec'd.	.000000				
Rita S. Holch		.000000				
Charles H. Sanford, Jr.		.167400				
James D. Corbett		.056800				
John L. Frothingham		.334800				
Rhea S. Greenwood		.167500				
Albert Muldavin		.133900				
Charles Spencer Sarnoff		.167400				
Est. of O. L. Coleman Dec'd						
c/o Emma Liston Archer Trust.						
American State Bank, TTEE of James Robert Nislar Tr.		.395800				
American State Bank, TTEE of O. L. Nislar, Jr. Tr.		.046825				
Ora Lee Nislar		.091650				
First National Bank and Vena H. Long, Ind. Exec. est. of F. O. Long, Dec'd.		.302800				
No. 222-05963		.001000				
Mobil-G. C. Corporation		1.562500				
Eunice Cone Gibson		.117200				
Everett R. Jones, Jr.		.015400				
Charles W. Grimes II and Philo W. Grimes, TTEE of the C. W. Grimes Trust		.302800				
Mrs. Exor Megan, Gdn. of Est. of Maude Eagle Prouts NCM						
Mobil Oil Corporation		.000500				
Nancy Eliz. Penson		1.069700				
Petrust Corp. of America						
James E. Wallace, Ind. Exec. of Est. of Paul H. Pewett		.166700				
Mrs. Mary Vern Ransom		.146500				
Francis K. Royall		.003100				
John R. Royall Trustee U/W of N. R. Royall, Jr. Dec'd.		.000700				
N. R. Royall, III Trustee U/W of N. R. Royall, Jr. Dec'd.		.000700				
Tucker K. Royall, Trustee U/W of N. R. Royall, Jr. Dec'd.						

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
			LEASE STATUS			
81. Akens (was Tract 52)	T21S-R36E, N.M.P.M. Sec. 3: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	HBP	Jack L. Hart .000700 Georgia A. Stieren Ind. Execx. of Est. of Jack Stieren, Dec'd. W. E. F. Holding Inc. c/o Chemical Bank Acct. No. 092-016073 .041600 Nora Walker .000500 J. H. Williams .195300	Kenneth R. Boss .435944 Apollo Oil Company 50% S&S Engineering 25%	
				Sun Exploration & Production Company 1.171870 Abraham Abramson Est. .468750 Allis Varga Corbett .029300 Jo Layne Antry .078120 David Armstrong Bower, Indv. and as Agent .023120 Getty Oil Company 1.171870 Tortuga Oil and Gas, Inc.		
				Tortuga Oil and Gas, Inc. .001630 Tortuga Oil and Gas, Inc. .003270 James E. Wallace, Indep. Exec. of Est. of Paul H. Pewitt .001640		
				Penn Brothers, Inc. .178250 Rosemann Mahoney, Exrx. of Est. of Neille P. Hyland .087890 J. R. Bower, Jr. .067860 Marjorie Cone Kastman .253900 Petrust Corp. of America.083330 Petroleum Landowners Corp., Ltd. Mary Vern Ransom .104170 WEF Holding Incorporated.020830 Emma Liston Archer, Trustee U/W of O. L. Coleman .197920 James D. Corbett .091150 Eunice Cone Gibson .117190 Everett R. Jones, Jr. .003850 Everett R. Jones, Jr. .003860 Nancy Elizabeth Penson .534860 John R. Royall, Trustee of the John R. Royall Trust, U/W of N. R. Royall, Jr. .000349 Liston Archer .010430 Atlantic Richfield Company		

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	BASIC ROYALTY LEASE STATUS	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
			OWNER AND PERCENTAGE	OWNER AND PERCENTAGE	OWNER AND PERCENTAGE	OWNER AND PERCENTAGE
Atlantic Richfield Company		.833340				
S. E. Cone, Jr.		.208330				
John L. Frothingham		.223910				
Rhea S. Greenwood		1.171880				
Carl E. Holch & Rita S. Holch		.585940				
Katherine Adeline Cone Keck		.585935				
Grace M. Larson		.253910				
Philo W. Grimes and Charles W. Grimes, II, Trustees of the C. W. Grimes Trust		.000260				
Mobil Producing Texas and New Mexico		.781250				
Albert Muldavin		.468750				
Ora Lee Nislar		.097660				
American State Bank, Trustee of O. L. Nislar, Jr. Trust		.224610				
American State Bank, Trustee of James Robert Nislar Trust		.048830				
Mrs. Frances K. Royall		.000520				
Mrs. Frances K. Royall		.001045				
Jack Hart		.001400				
Jack Hart		.000260				
John R. Royall and Tucker R. Royall, Ind. Exec. of Est. of Fannie May Royall		.002610				
John R. Royall, Trustee of the N. R. Royall, III Trust		.000348				
John R. Royall, Trustee of the Tucker K. Royall Trust UW of N. R. Royall, Jr.		.000348				
Charles H. Sanford, Jr. and Virginia L. Sanford		.585935				
Charles Spencer Sarnoff		.585930				
Georgia Ann Stieren, Indep. Exrx of Est. of Jack Stieren						
Nora Walker		.007590				
Elizabeth G. Williams, Personal Representative of Est. of J. H. Williams		.000260				
J. H. Williams		.195310				

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
82. H. L. Houston (was Tract 53)	T21S-R36E, N.M.P.M. Sec. 7: Lots 1,2	70.27	HBP	Amoco Production Company Archbishopric of New York Atlantic Richfield Company	None	Atlantic Richfield Company 50% Getty Oil Company 50%	.500113
				Bradley Resources Corp. .39070 R. H. Brin, Jr. .03250 Jessie Blevins Crump, David C. Blevins and Ft. Worth Nat'l Bank, Trustees U/W of Jones Lester Crump, Acct. #2312 .39060 RepublicBank First Nat'l Midland and Jessie Blevins Crump, Co- Trustees, Trust #F1069 .39060 Jacqueline Brin Goldberg .03260 F. C. Gottesman .06510 Daniel L. Gutman, Indep. Exec. of Est. of Max Gutman .06510 A. F. Houston 3.12500 Mary Jane Hyman .03260 Mary Jane Hyman, Trustee U/W of Jack F. Hyman .03250 B. I. King Trust #1 .04880 Edith Socolow and A. Walter Socolow, Trustees U/A dated 11-24-76 .06510 Edith Fabyn Read, Alexander Duncan Read and Howard E. Cox, Trustees U/W of William A. Read .39070 Texaco Oil Company .01620 W. B. Watson, Agent and Attorney-in-fact .43750			
83. H. L. Houston "MA" (was Tract 54)	T21S-R36E, N.M.P.M. Sec. 7: E ₂ NNW ₂	80.00	HBP	Atlantic Richfield Company Atlantic Richfield Company Bradley Resources Corp. .39062 Royal H. Brin, Jr. .03256 Jessie Blevins Crump and RepublicBank First Nat'l Midland, Co-Trustees, Trust No. 1069 .39062 Jessie B. Crump, David C. Blevins and The Fort Worth	None	Atlantic Richfield Company 100%	.192757

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>ACRES</u>	<u>LEASE STATUS</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
84. Houston (was Tract 55)	T21S-R36E N.M.P.M. Sec. 7: NE $\frac{1}{4}$	160.00	HPB	Nat'l Bank, Trustees of the Joe and Jessie Crump Fund Acct. 2312 .39063 Jacqueline Brin Goldberg 03256 Morris & Fay C. Gottesman Daniel L. Gutman, Trustee u/w/o Max Gutman .06510 Aubrey F. Houston 1.56250 Aubrey F. Houston, Admx. of H. L. Houston Estate 1.56250 Mary Jane Hyman .03255 Mary Jane Hyman, Trustee u/w/o Jack F. Hyman .03255 Nathan Kalvin/B. I.King .04883 Midwest Oil Corp. 1.17188 Edith Fabyn Read, Alexander Duncan Read, and Howard E. Cox, Trustees u/w/o William A. Read Archbishopric of New York 2.29688 Edith G. Socolow and A. Walter Socolow .06510 Texaro Oil Company .01628 William B. Watson, Agent and Attorney-In-Fact .43750 Amoco Production Co. 1.17188 Atlantic Richfield Company 3.51563 Archbishopric of New York 2.29687 Bradley Resources Corp. .39063 Jenson Western Title & Royalty Corp., c/o Bank of America, Acct. 0395307791 .39063 Royal H. Brin, Jr. .03255 Jessie Blevins Crump and RepublicBank First Nat'l Midland, Co-Trustees, Trust No. 1069 .39063 Jessie B. Crump, David C. Blevins and Fort Worth Nat'l Bank, Trustees u/w/o Jones Lester Crump .39062 Jacqueline Brin Goldberg 03255 Fay Combel Gottesman .06510 Daniel L. Gutman, Trustee u/w/o	Amerada Hess Corporation 100%	1.153271	

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				OWNER AND PERCENTAGE		
85. Mollie Campbell (was Tract 56)	T21S-R36E, N.M.P.M. Sec. 7: Lots 3,4, E½SW¼	150.01	HBP	Max Gutman .06510 Mrs. A. F. Houston, Indiv. and as Com. Admx. of Estate of H. L. Houston 3.12500 Mary Jane Hyman .03255 Mary Jane Hyman, Trustee u/w/o Jack F. Hyman .03255 Burford I. King, Trustee No. 1 Edith G. Socolow and A. Walter Socolow .06510 Texaro Oil Company .01627 William B. Watson, Agent and Attorney-in-Fact .43751	Gulf Oil Corporation 100%	.185457
				Home Stake Royalty Corporation .02062 Robert A. Venable, Testa- mentary Executor of Estate R. H. Venable .19530 Atlantic Richfield Co. 4.23180 Home Stake Oil & Gas Co. .02062		
				Texaro Oil Company Ashland Exploration, Inc. Emma Liston Archer, Trustee of Est. of O. L. Coleman .37110 Royal H. Brin, Jr. .03260 Mollie A. Campbell .44640 Jacqueline Brin Goldberg .03260		
				Clem Ronald Hooper .22320 Aubrey F. Houston .89290 Myrtle Pevehouse .11160 Mary Vern Ransom .39060 Wm. A. Read, Est. .39060 Lois Cone Tekell .11160 The Wiser Oil Company .39060 Eunice Cone Gibson .44640 Rachel Louise Warner .11720 Mary Jane Hyman .03250		
				Mary Jane Hyman, Trustee under the will of Jack F. Hyman, deceased .03260 Catherine Bowe Est. .00650 Vivian Bowe .00650 Fluor Oil and Gas Corporation .78130		

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				PERCENTAGE			PERCENTAGE
86. A. F. Houston (was Tract 57)	T21S-R36E, N.M.P.M. Sec. 7; SE $\frac{1}{4}$	160.00	HBP	Edith G. Socolow and A. Walter Socolow, Trustees U/A dated 11/24/76 .06510 Liston Archer .01950 Thomas B. Wilson .02170 Robert Booth Kellough .06510 William G. and Marcellyn J. Seal .00072 Lone Star Production Co. .83710 The Ruth C. Pickens Grandchildren Joint Venture .27900 Jean Anderson Simpson .00072 Emely Ann Edwards .00072	Atlantic Richfield Company 1.05150 Gulf Oil Corporation 100%	.649685	
				The Ruth C. Pickens Grandchildren Joint Venture .27900 Jean Anderson Simpson .00072 Emely Ann Edwards .00072 Mary Jane Hyman .03250 Mary Jane Hyman, Trustee under will of Jack E. Hyman, deceased .03260 Catherine Bowe Est. .00650 Vivian Bowe .00650 Fluor Oil and Gas Corp. .78130 Daniel L. Gutman, Trustee			

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				OWNER AND PERCENTAGE		
under will of Max Gutman						
Burford I. King, Trustee		.06510				
Fay Combel Gottesman		.25810				
Gerald Hamil Hooper and		.06510				
Dolores Alberta Hooper						
Delma Inez Campbell		.22320				
Royal H. Brin, Jr.		.44640				
Mollie A. Campbell		.03260				
Jacqueline Brin Goldberg		.44640				
Clem Ronald Hooper		.03260				
Aubrey F. Houston		.22320				
Myrtle Pevehouse		.89290				
Mary Vern Ransom		.11160				
Wm. A. Read Est.		.39060				
Lois Cone Tekell		.39060				
The Wiser Oil Company		.11160				
Eunice Cone Gibson		.44640				
Rachel Louise Warner		.11720				
Robert A. Venable, Testamentary		.39060				
Executor of the Estate of		.11160				
R.H. Venable		.19530				
Home Stake Royalty Corporation		.02062				
Atlantic Richfield Company		3.18030				
Home Stake Oil and Gas Co.		.02062				
Texaro Oil Company		.08600				
Ashland Exploration Inc.		.78130				
Emma Liston Archer, Trustee						
of the Estate of O. L. Coleman						
Atlantic Richfield Co.		2.343750				
Archbishopric of New York		3.937500				
Emma L. Archer, Trustee		.17580				
Liston Archer		.019530				
Julia Bergman		.026043				
David A. Bower Indiv. and as Agent		.043370				
J. R. Bower, Jr.		.127250				
Joan A. Carbone		.007323				
Valmore M. Carignan Est		.039060				
Colonial Royalties Co.		.045582				

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY	OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
Carl Costello				.019530				
Iris G. Danson				.039060				
Marcia Lynn Del Core				.026030				
Emily C. Greenhalgh and								
Dolores Sloat, Indiv. and as								
Exrxs U/W of Henry G.								
Ludwig				.078120				
Sarah B. Ferguson				.026044				
Fluor Oil and Gas								
Corporation		1.562500						
Home Stake Oil & Gas Co.				.045569				
Home Stake Royalty								
Corporation				.045569				
Everett R. Jones, Jr.				.014450				
Grace M. Larson				.000490				
Lawson Petroleum Company				.078130				
Munro L. Lyeth and Patricia								
D. Lyeth				.781250				
Brian Maney				.004882				
Kevin Maney				.004882				
Marguerite C. Maney				.004883				
Maureen Maney				.004883				
Patricia A. Maney				.007324				
Vivian G. Maney				.004883				
Pauline K. Neppel	Ind. and as							
Exrx. of Est. of Arthur J.								
Neppel				.058590				
Gloria McFarland and Charles W.								
Grimes, II Trustees of C. W.								
Grimes Trust				.937500				
Mary Vern Ransom				.390630				
Onez Norman Rooney				.781250				
Francis K. Royal				.002935				
John R. Royal, Trustee of the								
John R. Royal Trust u/w/o								
N. R. Royal, Jr.				.000652				
John R. Royal, Trustee of the								
Tucker K. Royal Trust u/w/o								
N. R. Royal, Jr.				.000651				
John R. Royal, Trustee of the								
Tucker K. Royal Trust, u/w/o								
Fannie May Royal				.004880				
Frieda W. Schachner								
Donald Tait				.039060				
				.009765				

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT	
				OWNER AND PERCENTAGE			
88. A. J. Adkins (was Tract 67)	T21S-R36E, N.M.P.M. Sec. 10; <u>W½NW½,</u> <u>SE½NW½, SW½</u>	280.00	HBP	Archbishopric of New York 4,59380 Millikin University, Decatur, Illinois, Ina Mills Trust • .25000 Colonial Royalties Co. • .02777 Fluor Oil and Gas Corporation 1.56250 Sue Saunders Graham • .06950 Home Stake Oil & Gas Co. • .02777 Home Stake Royalty Corporation • .02777 Munro L. Lyeth and Patricia D. Lyeth • .78130 Elyse S. Patterson • .06940 Atlantic Richfield Co. 2.34380 Petrust Corporation of America • .41670 Onez Norman Rooney • .78120 Frieda W. Schachner • .08330 June D. Speight • .52080 Sally Saunders Toles • .06940 W. B. Watson, Agent and Attorney-in-Fact • .87500	None	Exxon Corporation 100%	.931331
89. A. J. Adkins (was Tract 68)	T21S-R36E, N.M.P.M. Sec. 10; <u>NE½NW½</u>	40.00	HBP	Atlantic Richfield Co. 1.17188 Exxon Company, USA 5.46875 Home Stake Oil and Gas Co. • .01389 Home Stake Royalty Corporation • .01389 Colonial Royalties Co. • .01389 Fluor Oil & Gas Corp. • .78125 Petrust Corporation of America • .20833 Sue Saunders Graham • .03472 Munro L. Lyeth and Patricia D. Lyeth • .78125 Millikin University, Decatur, Illinois, Ina Mills Trust • .12500 Elyse Saunders Patterson	Brady Production Corporation 50% Exxon Corporation 50%	.423313	

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
90. J. D. Knox (was Tract 69)	T21S-R36E, N.M.P.M. Sec. 10; E $\frac{1}{2}$	320.00	HBP	Archishopric of New York .03472 Onez Norman Rooney .29687 Frieda W. Schachner .78125 June D. Speight .04167 The Toles Co. .26041 William B. Watson, Agent and Attorney-in-Fact .03473 .43750	Amoco Production Co. .390700 Atlantic Richfield Co. .250000 Aarco Oil & Gas .585900 Dan E. Boone .019945 Dorothy W. Boone .035227 J. E. B. Boone .148676 A. L. Cone .195300 Dorothy P. Carr .012432 Everett R. Carr .006216 H. E. Clift #1381 .195300 J. C. Clift #1608 .195300 Frances S. Madeley .139093 Herbert W. Madeley .001037 Mobil Producing Texas and New Mexico Inc. 1.562600 Petrust Corporation of America .312500 I. D. Phillips .006216 R. S. Phillips .006216 Protestant Episcopal .015542 Sabine Corporation .390600 June D. Speight .976500 June D. Speight-1 .976600 WEF Holding, Inc. .078100	Exxon Corporation 100% None	1.604876
91. McQuatters (was Tract 74)	T21S-R36E, N.M.P.M. Sec. 11; S $\frac{1}{2}$ N.E. $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$	120.00	HBP	Amoco Production Co. 12.5% Alan J. Antweil .7812500 E. Doyle Berryman .7812500 Bradley Resources Corporation 1.1718750 Fluor Oil and Gas Corporation 3.1250000 Jack Hart .0029838 Jack Hart .0041728 Manufacturer's Hanover Trust Co., Exec. of Est. of Constance A. Fleischman .7812500 Nancy E. Penson 2.2922410 Penn Brothers, Inc. .7639083 J. E. Sedlmayr .7812500	Wiser Oil Co. 50% Two States Oil Company 25% Herman R. Crile 12.5% Kenneth Headley 12.5%	.209848	

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

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

B.

Sec. 12: NW&SW&

(40.00)

(.000000)

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				OWNER AND PERCENTAGE			
94. Marshall (was Tract 79)	T21S-R36E, N.M.P.M. Sec. 11: S E S E Sec. 12: S M S M	80.00	HBP	See "A" and "B" below	None	Earl R. Bruno 100%	.153687*
A.	Sec. 11: S E S E Selma E. Andrews Trust #5188 1.678280 Alan J. Antweil .781250 E. Doyle Berryman .781250 Boys Club of America .156250 Elks National Foundation Boston .156250 Juliette Rathbone Finch .781250 William H. Fleischmann, Jr. 260410 The Home Stake Oil & Gas Company .195310 The Home Stake Royalty Corp. .195310 Manufacturers Hanover Trust Co. as agent for William H. Fleischmann, Jr., Constance Von Gontard, and Fredericka Agins Marguerite McKim Kent .781250 Patrick J. Leonard .260410 Robert J. Leonard .260420 Timothy T. Leonard .260420 Raymond Lee McKim .781250 Juanita McMillan, Betty Kelly,			(.062358)			

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

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
95. Coleman "A" (was Tract 83)	T21S-R36E N.M.P.M. Sec. 17: NW&NW ^{1/4}	40.00	HBP	Archbishopric of New York Liston Archer .1.31250 Atlantic Richfield Co. .15630 Bradley Resources Corp. .22786 Powhatan Carter, Jr. .09770 Anderson Carter .09765 Emma Liston Archer, Trustee Est. of O. L. Coleman 1.83590 Charles J. Cooper/Fonda .05205 Emely Ann Edwards .00072 Daniel L. Gutman .07810 Manufacturers Hanover Trust Co. Oil Successor Trustee U/A dated 4-30-56 as amended M/B and for Charles Gutman .11720 Alfred E. Gutman .07820 Betty Gutttag .11720 Daniel L. Gutman, Ind. Exec. & Trustee of Est. of Max Gutman .23440 Wentz Heritage .78125 The Home Stake Oil & Gas Co. The Home Stake Royalty Corp. Mary M. Ilorne Trust, Mary M. Hodge & Charles R. Cravens, Jr., Co-Trustees 1.17190 Jones Robinson Company .39060 Robert Booth Kellough .06510 Wentz Legacy .78125 First City Nat'l Bank Trustee Acct. #5-292-02-8 .19530 Mobil Oil Corp. 1.56250 Mary Vern Ransom 1.71870 William G. Seal .00072 Roland V. Siddall .03900 Jean Anderson Simpson A. Walter Socolow and .	None	Getty Oil Co. 100%	.375553

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT	
96. Coleman (was Tract 84)	T21S-R36E, N.M.P.M. Sec. 17: NE2NW2	40.00	HBP	Edith Socolow, Trustees U/A dated 11-24-76 .07810 Robert L. Summers .19530 Texaco Oil Co. .07810 Robert Allen Venable, Ind. Exec. & Tr. U/W of R. H. Venable .19530 Philip J. Willis and Jack Willis, Joint Tenants ..03910 Thomas B. Wilson .02169 Lasca, Inc. .25000 Nancy Z. G. Herpin .09770 Jack H. Mayfield, Jr. .09770 Jack H. Mayfield, Jr., Margaret Bell, and Lanode Goldston, Attys. in Fact for Iris Goldston .19530	Atlantic Richfield Co. Archbishopric of New York Emma L. Archer, Trustee of Est. of O. L. Coleman 1.83590 Liston Archer .15630 Bradley Resources Corporation Anderson Carter .09765 Powhatan Carter, Jr. .09765 Emely Ann Edwards .000725 Mary A. Fonda .05210 Alfred F. Gutman .07820 Daniel L. Gutman .07810 Daniel L. Gutman, Indep. Exec. of Est. of Max Gutman .23440 Betty Guttag .117200 Manufacturers Hanover Trust Co. Oil Successor Trustee U/A dated 4-30-56 as amended M/B and for Charles Gutman .117200 Nancy Z. G. Herpin .097700 Mary M. Hodge & Charles R. Gravens, Jr., Co-Trustees of Mary M. Horne Trust, .586000 Mary M. Hodge & Charles R. Gravens, Jr., Co-Trustees of Mary M. Horne Trust, .585900 Home Stake Royalty Corporation .010852	None	Atlantic Richfield Company 100%	.363610

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
97. Coleman (was Tract 85)	T21S-R36E, N.M.P.M. Sec. 17; NE $\frac{1}{4}$	160.00	HBP	Adobe Royalty, Inc. .13021 Amoco Production Co. .52083 Emma Liston Archer, Trustee of Est. of O. L. Coleman .91150 Liston Archer .03906 Atlantic Richfield Co. .38410 Jane C. Blackford .049805 J. R. Bower, Jr. .58898 David Armstrong Bower, Agent Bradley Resources Corp..09765 Charles J. Cooper/Fonda.05208 Emely Ann Edwards .00072 Farmer Union Company .29297 Home Stake Oil and Gas Co. .02062	None	Getty Oil Company 100%	1.415360
Home Stake Royalty Corp..009768 Home Stake Oil & Gas Co..010852 Home Stake Oil & Gas Co..009767 Jones Robinson Company .390600 Robert Booth Kellough .065100 Lasca, Inc. .250000 Jack H. Mayfield, Jr. .097600 Jack H. Mayfield, Jr., Margaret Bell and Lenore Goldston, Attnys. in Fact for Iris Goldston .195300 First City Nat'l Bank, Trustee Trust Acct. 029-02-8 .19530 Mobil Producing Texas and New Mexico Inc. 1.522500 Mary Vern Ransom 1.718700 R. V. Siddall .039000 Jean Anderson Simpson .000723 Edith Socolow and A. Walter Socolow, Trustees U/A dated 11-24-76 .078100 R. L. Summers .195300 Texaco Oil Company .078100 R. A. Venable, Indep. Exec. of Est. of R. H. Venable .195300 Wentz Heritage .781250 Wentz Legacy .781250 Jack Willis .019550 Philip J. Willis .019550 Thomas B. Wilson .021691 William G. Seal .000722							

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

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
98. Coleman (was Tract 86)	T21S-R36E, N.M.P.M. Sec. 17: W $\frac{1}{2}$ SE $\frac{1}{4}$	80.00	HBP	Smith Oil Company .29296 Robert A. Venable .19531 Robert L. Wheelock, Jr., individually, and as co- independent executor and Trustee of the Maude C. Wheelock Estate .07324 Wentz Heritage .78125 Philip Willis and Jack Willis .03906 Thomas B. Wilson .02170			
				Adobe Royalty Co. .13021 Amoco Production Co. .52083 Archbishopric of New York 1.31250 Emma Liston Archer, Trustee of Est. of O. L. Coleman 1.65365 Liston Archer .07813 Atlantic Richfield Co. .22786 J. R. Bower, Jr. .50898 Bradley Resources Corporation .09766 First Denver Trt-Min, Munro & Patricia Lyeth .39063 M. A. Fonda .05209 Alfred E. Gutman .23437 D. L. Gutman, Trustee .23437 B. G. Guttag .11719 Manufacturers Hanover Trust Co. Oil Successor Trustee U/A dated 4-30-56 as amended M/B and for Charles Gutman .11719 D. A. Bower, Agent .17343 Home Stake Oil & Gas Co. .01085 Home Stake Royalty Corporation .01085 E. R. Jones, Jr. .05782 Robert B. Kellough .06510 Grace M. Larson .00195 Lasca, Inc. .25000 M. S. Latta .39063 MNB Trust #0292028 .19531 Mobil Producing Texas and New Mexico Inc. 1.56250 Mary Vern Ransom 1.71875 Frances K. Royal 1.01171	None	Shell Western Exploration & Production Inc. .572268 100%	

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
99. H. C. Collins (was Tract 98)	T21S-R36E, N.M.P.M. Sec. 14: E ₃ W ₃ SW _{1/2} NE _{1/4} , W _{1/2} SE _{1/4}	280.00	HBP	Paul M. Phillips ETZ Oil Properties Ltd. .01100	None	Gulf Oil Corporation Atlantic Richfield Company 57.14% Getty Oil Co. 28.57% 14.29%	.607838
				Pierre D. Phillips .01100 Raymond W. Randolph .06510 Jane D. Randolph .06510 Philip R. Snow .06510 Bill R. Snow .06510 Mary Elizabeth Roelke .13020 Wilma M. Phillips and Curtis Darling, Co-Personal Representatives of the Estate of Ross M. Phillips .01100 Toles Company .06510 Donald M. Phillips .01090 Christopher Dukinfield Jones .01042			

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

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	ACRES	LEASE STATUS	BASIC ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
				OVERRIDING ROYALTY OWNER AND PERCENTAGE		
100. Frona Leck (was Tract 99)	T21S-R36E, N.M.P.M. Sec. 14: NW $\frac{1}{4}$, NE $\frac{1}{4}$	40.00	HBP	Superior Oil Company .96880 Julian W. Glass, Jr. .01375 Wanda Pruitt Hess .15620 Emma Liston Archer, Trustee of the Estate of O. L. Coleman .07810 Charles F. Bedford .12500 Henry De Graffenreid Bedford Rachel Bedford Bowen .12500 Mary Vern Ransom .09770	Gulf Oil Corporation 57.14% Atlantic Richfield Company 28.57% Getty Oil Co. 14.29%	.093085
				Sue Saunders Graham .06510 Munro L. Lyeth and Patricia D. Lyeth 2.81250 The Pennsylvania Bank and Trust Co., Trustee of the Estate of Albert Walter Goal .05500 Jacques Peter Adoue, Thomas J. Reilly, W. W. Bland and Texas Commerce Bank, N.A., Trustees u/w of F. D. Jones .06250 Mrs. Ernest Frances Bradfield .01375 Pohkatan Carter, Jr. .09765 Anderson Carter .09765 June D. Speight .39060 Jessie B. Crump, David C. Blevins and the Fort Worth National Bank, Trustees of the Joe and Jessie Crump Fund Acct. #2312		
				Republic Bank First Nat'l .19530		

TRACT NO. AND TRACT NAME	DESCRIPTION OF LAND	LEASE ACRES	BASIC ROYALTY OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER AND PERCENTAGE	WORKING INTEREST OWNER AND PERCENTAGE	PARTICIPATION OF TRACT IN UNIT
						LEASE STATUS
Midland and Jessie Blevins Crump, Co-Trustees Trust No. 1069						
Helen Learmont Bedford		.19530				
Phyllis C. Smythe		.06250				
George H. Etz, Jr., Trustee		.39060				
Grace Johnson		.15625				
Donald M. Phillips		.01100				
Boyed E. Penfield		.15625				
Robert S. Light		.78125				
Ethel Rushing		.78125				
Liston Archer		.01950				
John W. Phillips		.01100				
Paul M. Phillips		.01100				
ETZ Oil Properties, Ltd.		.39060				
Pierre D. Phillips		.01100				
Raymond W. Randolph		.06510				
Jane D. Randolph		.06510				
Philip R. Snow		.06510				
Bill R. Snow		.06510				
Mary Elizabeth Reelke		.13020				
Wilma M. Phillips and Curtis Darling, Co-Personal						
Representatives of the Estate of Ross M. Phillips		.01090				
Toles Company		.06510				
Alan J. Antweil		.78125				
E. Doyle Berryman		.78125				
Bradley Resources Corporation		1.17188				
Manufacturers Hanover Trust Co.						
Agent for William H. Fleischmann, Jr., Constance Von Gontard, and Fredricka Agins		.78125				
Fluor Oil and Gas Corporation		3.12500				
First National Bank in Dallas and Vena H. Long						
Independent Executors of the Estate of Frank O. Long						
Nancy Elizabeth Penson		.00224				
Mrs. Exor Megan, Guardian of the Estate of Maude Eagle Pflouts		2.29225				
		.00113				

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>LEASE ACRES</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>
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Jack L. Hart Penn Brothers, Inc.	.00376				
John E. Sedlmayr	.76392				
Southland Royalty Company	.78125				
Georgia Ann Stieren, Independent Executrix of the Estate of Jack Stieren	1.95312				
Tortuga Oil & Gas, Inc.	.03253				
Nora Walker	.02804				
	.00113				
23	PATENTED	TRACTS	TOTALING	3,180.28	ACRES OR 22.41% OF UNIT AREA

SUMMARY

<u>ACRES</u>	<u>PERCENTAGE</u>
Federal Lands	2,734.76
State Lands	8,274.80
Patented Lands	<u>3,180.28</u>
	<u>14,189.84</u>
	<u>100.00%</u>

<u>TRACT NO. AND TRACT NAME</u>	<u>DESCRIPTION OF LAND</u>	<u>LEASE ACRES</u>	<u>BASIC ROYALTY OWNER AND PERCENTAGE</u>	<u>OVERRIDING ROYALTY OWNER AND PERCENTAGE</u>	<u>WORKING INTEREST OWNER AND PERCENTAGE</u>	<u>PARTICIPATION OF TRACT IN UNIT</u>
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Jack L. Hart Penn Brothers, Inc.	.00376					
John E. Sedlmayr	.76392					
Southland Royalty Company	.78125					
Georgia Ann Stieren, Independent Executrix of the Estate of Jack Stieren	1.95312					
Tortuga Oil & Gas, Inc.	.03253					
Nora Walker	.02804					
	.00113					
23	PATENTED	TRACTS	TOTALING	3,180.28	ACRES OR 22.41% OF UNIT AREA	