

DESIGNATION OF POOLED UNIT FOR GAS
PRORATION, EUMONT GAS POOL, LEA COUNTY
NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS:

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WHEREAS, the undersigned, Humble Oil & Refining Company, Tide Water Associated Oil Company, El Paso Natural Gas Company, and Sun Oil Company are the owners of certain oil and gas leases which, together, embrace all of Section 4, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico, containing 640 acres, more or less, said oil and gas leases owned by the respective parties being more particularly described on the schedule attached hereto, made a part hereof and for purposes of identification marked Exhibit "A"; and

WHEREAS, said oil and gas leases as amended, provide that the respective lessees may pool or combine the lands covered by said leases with other lands or leases in the immediate vicinity thereof, for the purpose of forming a proration unit to comply with the rules and regulations of the New Mexico Oil Conservation Commission; and

WHEREAS, the rules and regulations of the New Mexico Oil Conservation Commission adopted for the Eumont gas pool provides for a standard proration unit consisting of between 632 and 648 contiguous surface acres substantially in the form of a square or a legal subdivision of the United States Public Land Survey; and

WHEREAS, the undersigned parties have agreed to pool their respective leasehold interests as shown by Exhibit "A" attached hereto to form a standard proration unit in conformity with the rules and regulations of the New Mexico Oil Conservation Commission consisting of all of Section 4, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico, containing 640 acres more or less, and are desirous of designating said unit as provided by the terms of the respective oil and gas leases as amended.

NOW THEREFORE, the undersigned, Humble Oil & Refining Company, Tide Water Associated Oil Company, El Paso Natural Gas Company, and Sun Oil Company, being the present owners and holders of the oil and gas leases described in the schedule attached hereto as Exhibit "A", acting under and by virtue of the power and authority conferred and granted by the provisions of said oil and gas leases as amended, do hereby pool and combine their respective leasehold interests to form a standard proration unit in conformity with the rules and regulations of the New Mexico Oil Conservation Commission covering the following described land situated in Lea County,

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