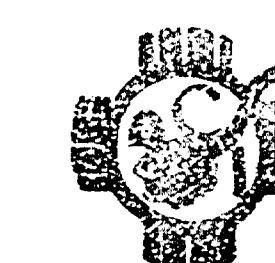


Case No
7287

Large Exhibits

U.S. GOVERNMENT PRINTING OFFICE



1957 ATLAS/ALMA COPY

UNIT OPERATING AGREEMENT

CANON OJITOS UNIT AREA

RIO ARriba COUNTY, NEW MEXICO

THIS AGREEMENT, made as of the first day of March, 1981, by and among the parties who execute or ratify this agreement or a counterpart hereof,

WITNESSETH:

WHEREAS, the Parties have committed their interests into that UNIT OPERATING AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CANON OJITOS UNIT AREA, County of Rio Arriba, State of New Mexico, dated as of the 15th day of June, 1963, and hereinafter referred to as the "Unit Agreement", covering the lands described in Exhibit 1 hereto attached, which lands are referred to in the Unit Agreement and in this agreement as the "Unit Area" and which Unit Area may, by the terms of the Unit Agreement, be expanded or contracted, and lands in the Unit Area shall be the lands covered by this agreement, insofar as the oil and gas leases thereunder are committed to the Unit Agreement by the Parties hereto; and

WHEREAS, the Parties enter into this agreement pursuant to Section 7 of the Unit Agreement;

WHEREAS, the Parties currently are considering expanding the Unit Area, but whether or not it is expanded, the Parties nevertheless enter into this Agreement;

NOW THEREFORE, in consideration of the mutual agreements herein set forth, it is agreed as follows:

Construction of Regulatory Authorities and Names.

The authority of the Federal Power Commission, as identified herein, has been superseded by that of the Federal Energy Regulatory Commission, and wherever in the following articles (particularly Article 7) the words "Federal Power Commission" appear they shall be construed to mean "Federal Energy Regulatory Commission", or such other appropriate succeeding governmental authority, as is proper;

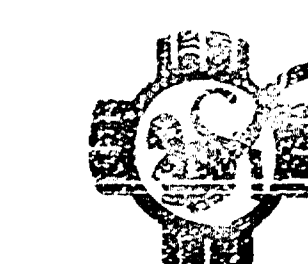
Special Definitions.

Main Mancos Formations: as used herein means those members of the Mancos formation from its top to the base of the Greenhorn member; and is equivalent to the stratigraphic interval shown on the Schlumberger electric log of the Canon Ojitos Unit No. 9-9 well, located in the southeast quarter of Section 3, Township 24 North, Range 1 West, between the depths of 4155' and 4137'; such reference electric log being the Schlumberger Induction Electric Log run June 18, 1963 with well identification of "Holick-Hoer No. 1 Bolson";

COOGA-3181

PAGE 1

V.S.A.C.F. MICROGRAPHICS

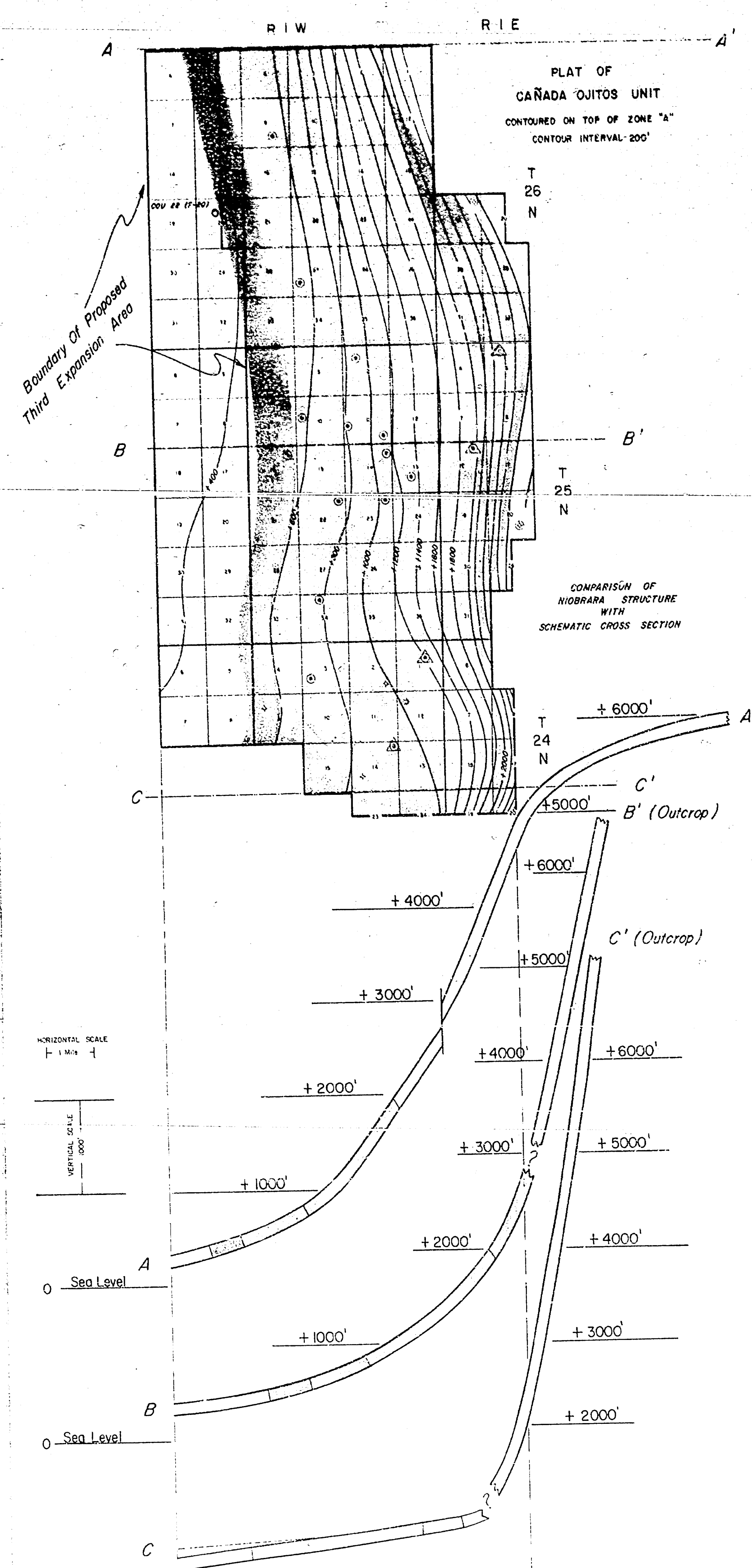


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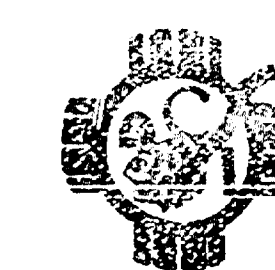
[illegible]

Original Map Date: March, 1980 Revised: 1-15-81, 2-10-81, 7-1-81





May, 198



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UNIT OPERATING AGREEMENT
CANADA QUITOS UNIT AREA
RIO ARriba COUNTY, NEW MEXICO
THIS AGREEMENT, made as of the first day of March, 1961, by and among
the parties who execute or ratify this agreement or a counterpart
hereof,

WITNESSETH:
WHEREAS, the Parties have committed their interests into that
certain UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CANADA
QUITOS UNIT AREA, County of Rio Arriba, State of New Mexico, dated
as of the 19th day of June, 1961, and hereinafter referred to as the
"Unit Agreement", covering the lands described in Exhibit 1 hereto
attached, which lands are referred to in the Unit Agreement and in
this agreement as the "Unit Area" and which Unit Area may, by the
terms of the Unit Agreement, be expanded or contracted, and lands
in the Unit Area shall be the lands covered by this agreement, insofar
as the oil and gas leases thereunder are committed to the Unit
Agreement by the Parties hereto; and

WHEREAS, the Parties enter into this agreement pursuant to
Section 7 of the Unit Agreement;

WHEREAS, the Parties currently are considering expanding the
Unit Area, but whether or not it is expanded, the Parties nevertheless
enter into this Agreement;

NOW THEREFORE, in consideration of the mutual agreements herein
set forth, it is agreed as follows:

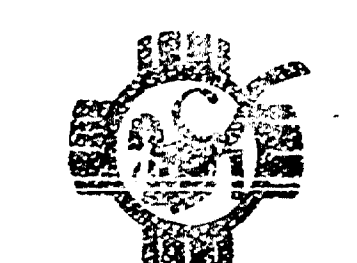
Construction of Regulatory Authorities and Names.
The authority of the Federal Power Commission, as identified
herein, has been superseded by that of the Federal Energy
Regulatory Commission, and wherever in the following
Articles particularly article 271 the words "Federal Power
Commission" appear they shall be construed to mean "Federal
Energy Regulatory Commission", or such other appropriate
successor governmental authority as is proper;

Special Definitions
Main Mancos formation: as used herein means those members
of the Mancos formation from its top to the base of the
Greenhorn member; and is equivalent to the stratigraphic
interval shown on the Schlumberger electric log of the
Canada Qitos Unit No. 0-3 well, located in the southeast
quarter of Section 9, Township 16 North, Range 1 West,
between the depths of 8155' and 8137', such reference
electric log being the Schlumberger induction electric log
run June 18, 1961 with well identification of "Holladay-Crest
No. 1 Boland";

COODA-1191

PAGE 1

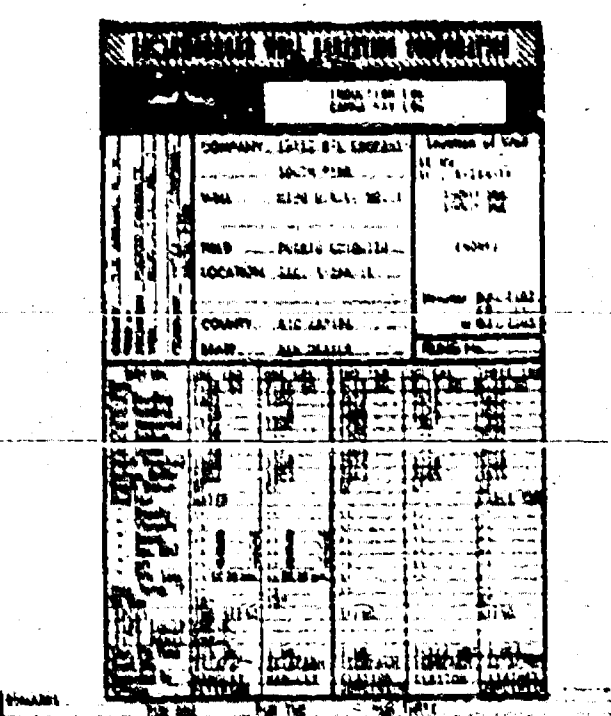
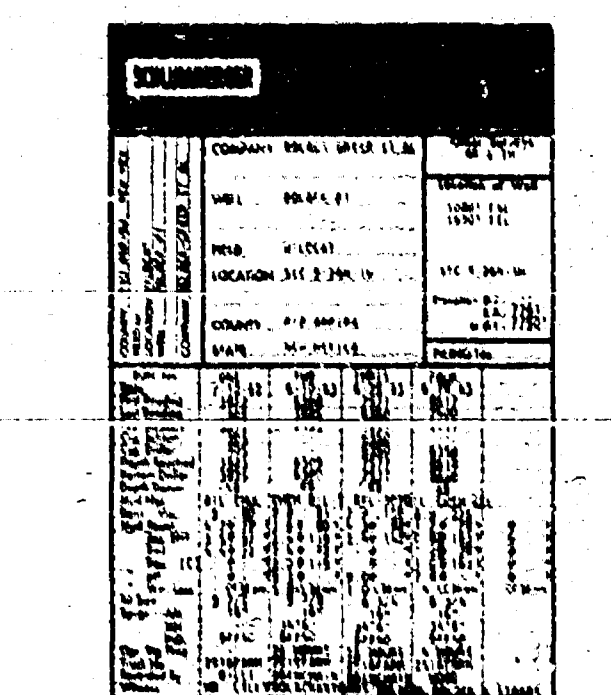
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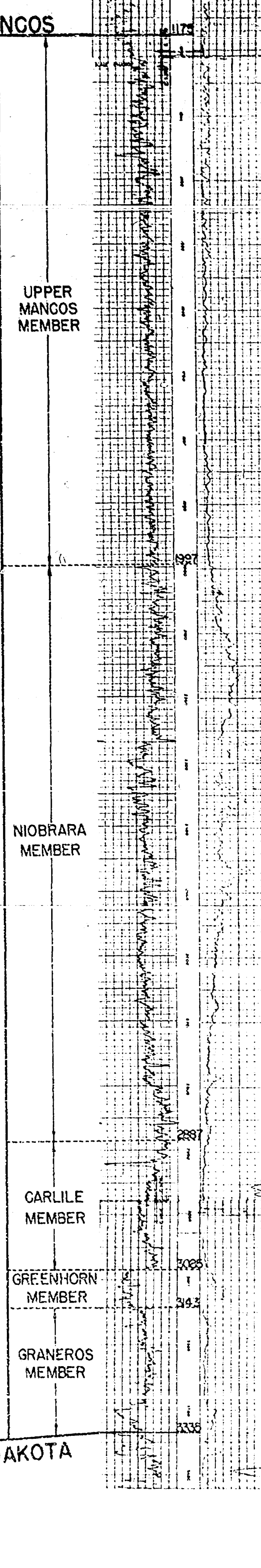
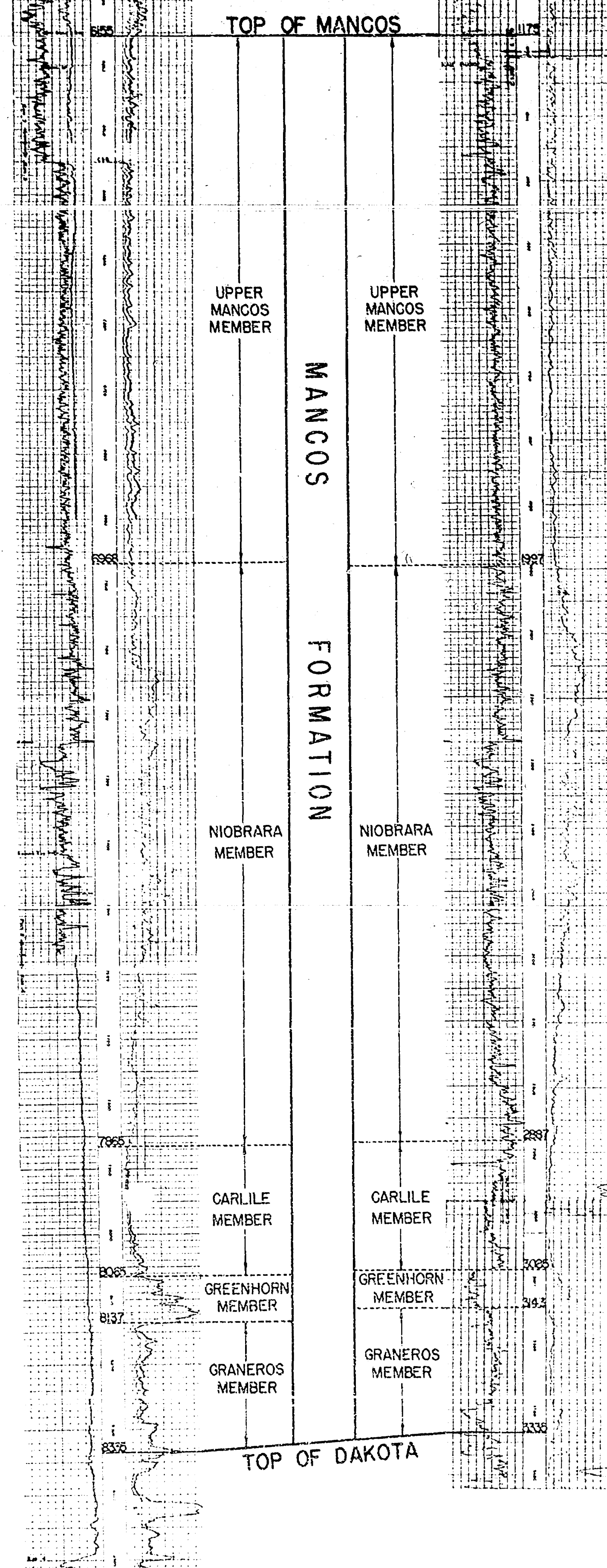
BOLACK - GREER
#1 BOLACK
1000' F/WL 1920' F/WL SEC. 9-25N-1W

INTEX OIL COMPANY
#1 HUGO
1000' F/WL 1920' F/WL SEC. 8-25N-1E



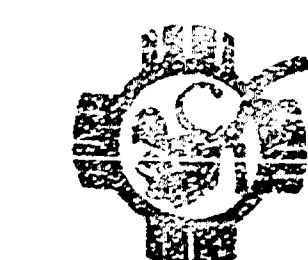
DEPTH (FEET)	RESISTIVITY (OHM-FT)
8300	100
8200	100
8100	100
8000	100
7900	100
7800	100
7700	100
7600	100
7500	100
7400	100
7300	100
7200	100
7100	100
7000	100
6900	100
6800	100
6700	100
6600	100
6500	100
6400	100
6300	100
6200	100
6100	100
6000	100
5900	100
5800	100
5700	100
5600	100
5500	100
5400	100
5300	100
5200	100
5100	100
5000	100
4900	100
4800	100
4700	100
4600	100
4500	100
4400	100
4300	100
4200	100
4100	100
4000	100
3900	100
3800	100
3700	100
3600	100
3500	100
3400	100
3300	100
3200	100
3100	100
3000	100
2900	100
2800	100
2700	100
2600	100
2500	100
2400	100
2300	100
2200	100
2100	100
2000	100
1900	100
1800	100
1700	100
1600	100
1500	100
1400	100
1300	100
1200	100
1100	100
1000	100
900	100
800	100
700	100
600	100
500	100
400	100
300	100
200	100
100	100
0	100

DEPTH (FEET)	RESISTIVITY (OHM-FT)
8300	100
8200	100
8100	100
8000	100
7900	100
7800	100
7700	100
7600	100
7500	100
7400	100
7300	100
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100	100
0	100

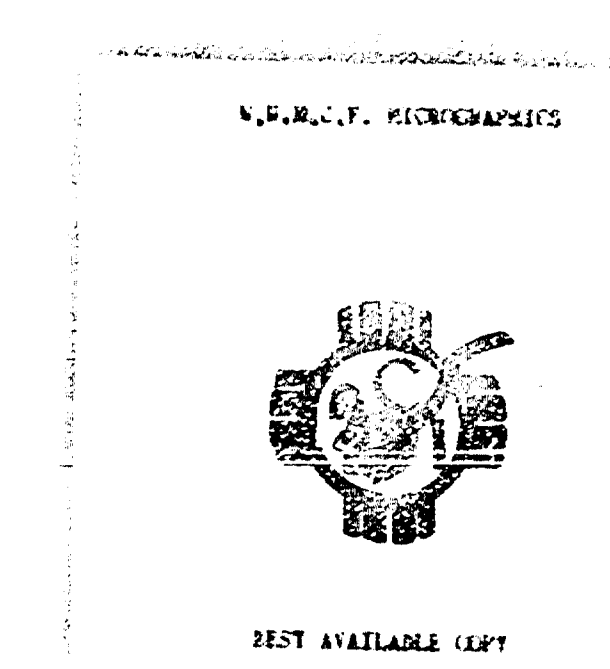
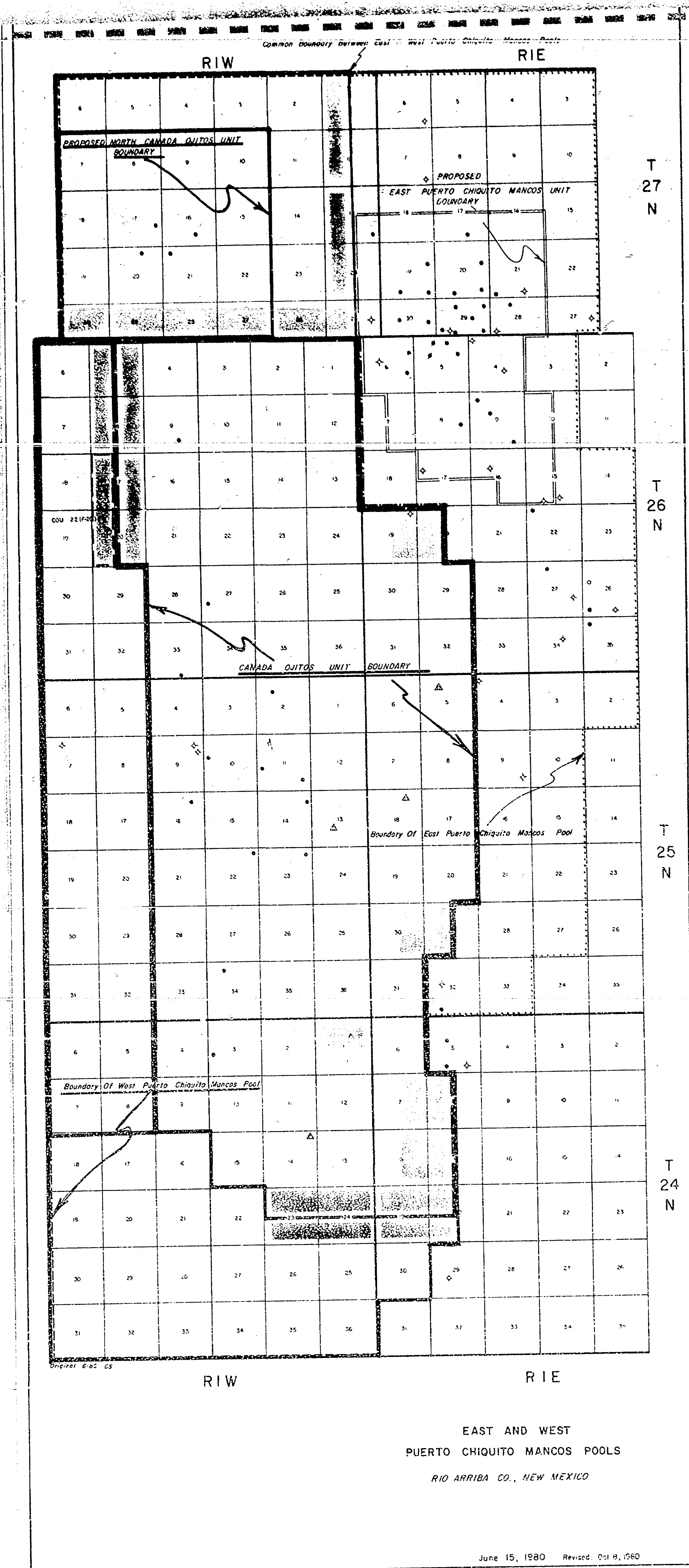


LEGEND
SECTIONS OF TYPICAL LOGS
SHOWING FORMATION TOPS OF MANCOS AND DAKOTA
AND
MEMBERS OF MANCOS FORMATION

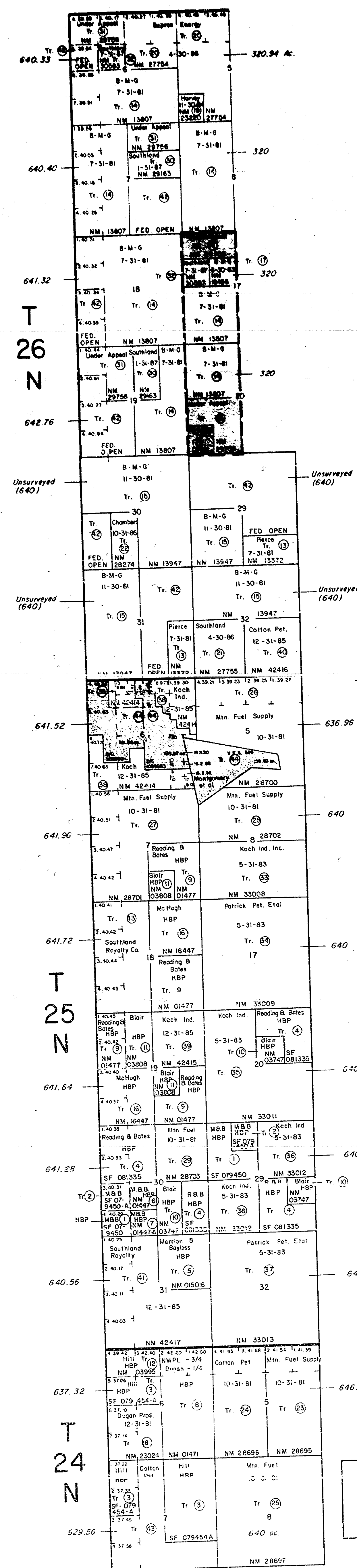
U.S. GEOLOGICAL SURVEY



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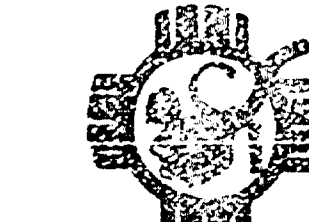


LANDS BY CLASSIFICATION		
Federal Acreage	4,164.55	97.12 %
Potential Acreage	4,801.16	2.88 %
Total Acreage	8,965.71	100.00 %

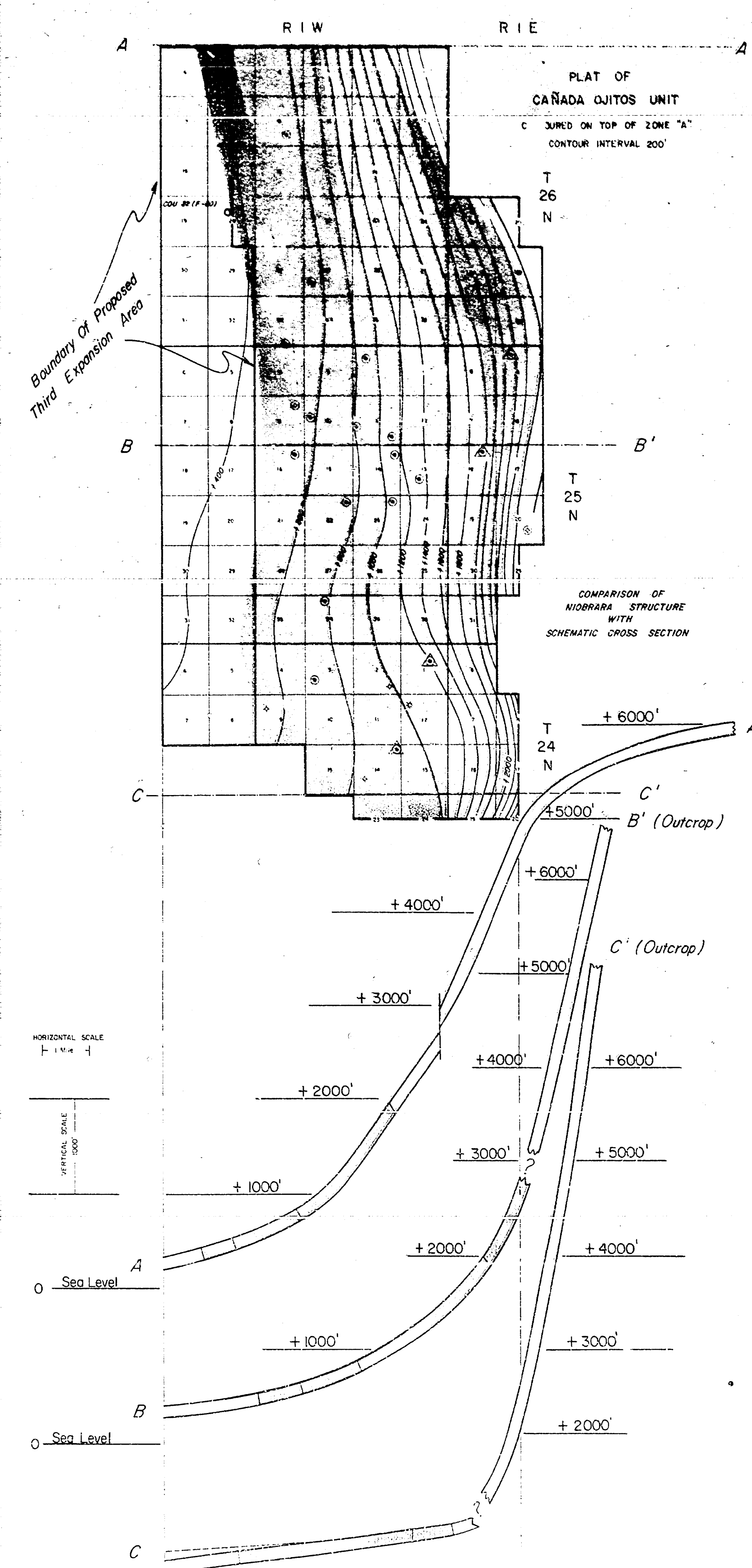
EXHIBIT "A"
PROPOSED
THIRD EXPANSION AREA
TO
CANADA OJITOS UNIT
RIO ARRIBA CO., NEW MEXICO
BENSON-MONTIN-GREER DRILLING CORP.

Original Map Dated March, 1980 Revised: 1-15-81, 2-10-81, 7-1-81

U.S. GEOLOGICAL SURVEY



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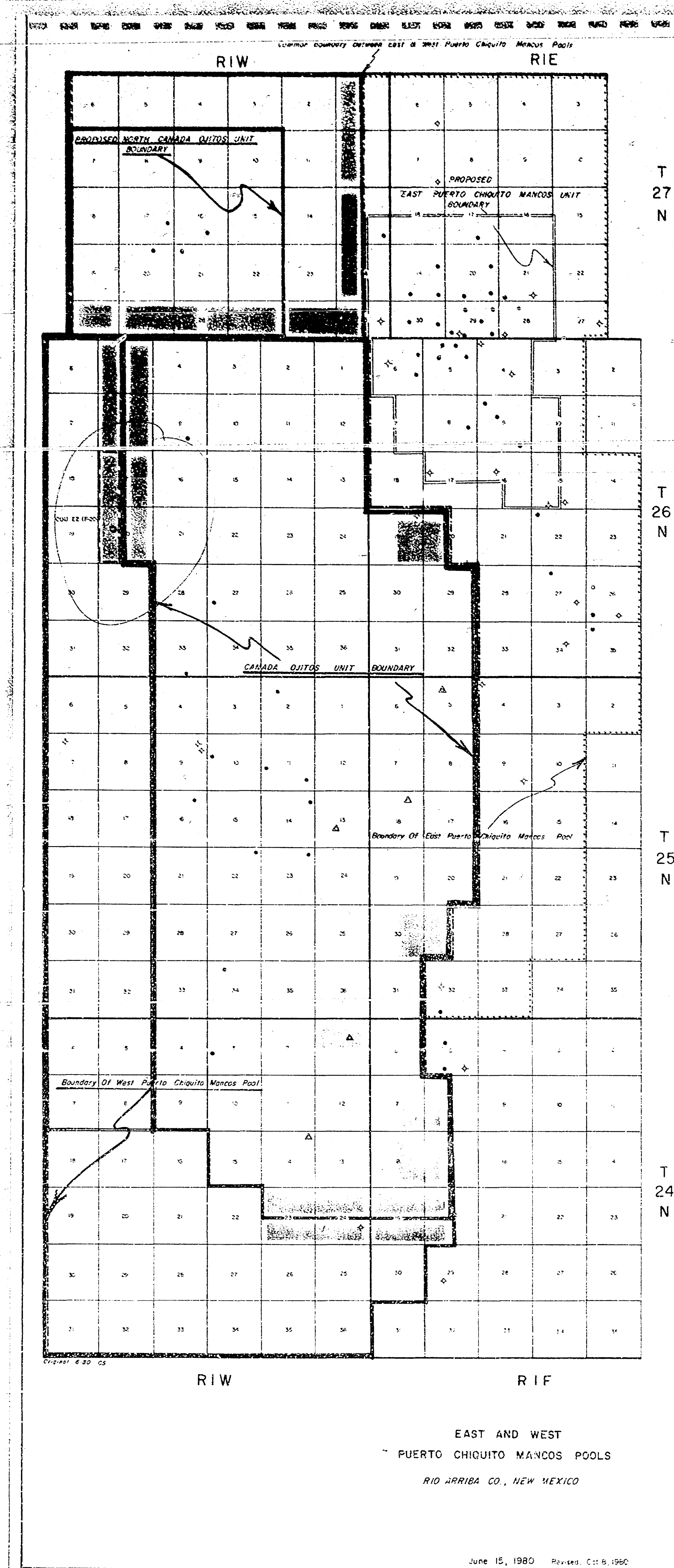


May, 1951

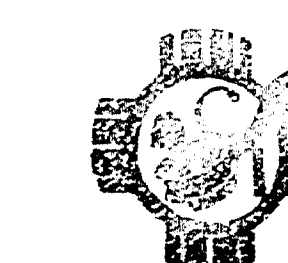
U.S. GEOLOGICAL SURVEY



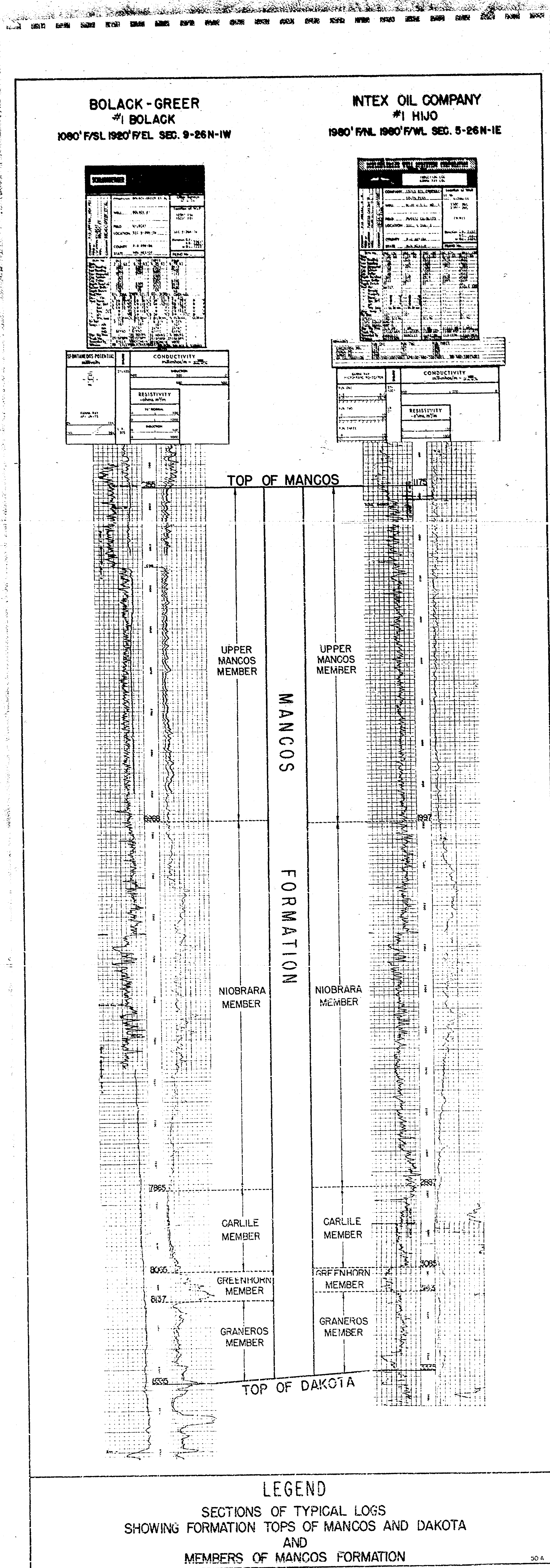
1957 AVAILABLE COPY



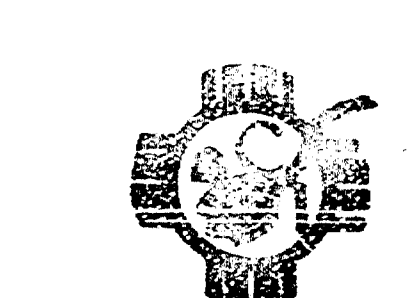
U.S.G.P. ALPHABETICS



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U.S. GEOLOGICAL SURVEY



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