Case No.

444

Application, Transcript,
Small Exhibits, Etc.

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WILLIAM C. HERNDON, JR.
THOMAS B. McELROY

September 29, 1955

Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

Please find enclosed herewith executed counterparts of the Unit Agreement and Unit Operating Agreement relative to the Chaco Unit Area, designated Unit Number 14-08-001-2026 and approved and effective as of January 4, 1955.

With best wishes, we are

Yours very truly,

TURNER, WHITE, ATWOOD, McLANE
and FRANCIS

By William G. Webb

WGW:mch
cc: Mr. S. H. Snoddy
Enclosures

UNIT OPERATING AGREEMENT
CHACO UNIT AREA

THIS AGREEMENT, made and entered into as of this 11th day of June, 1954, by and between THREE STATES NATURAL GAS COMPANY, a Delaware corporation, whose address is Seventeenth Floor, Corrigan Tower, Dallas, Texas, hereinafter sometimes referred to as "Unit Operator", and such other parties owning working interests subject to the Unit Agreement for the Development and Operation of the Chaco Unit Area as may execute this Agreement, which working interest owners are hereinafter sometimes referred to as "Non-operators", both Operator and Non-operators being sometimes referred to as "Working Interest Owners".

W I T N E S S E T H :

WHEREAS, the parties hereto have executed of even date herewith a certain Unit Agreement for the Development and Operation of the Chaco Unit Area, County of San Juan, State of New Mexico, hereinafter sometimes referred to as "Unit Agreement", such Unit Area comprising the following described land situated in San Juan County, New Mexico, hereinafter referred to as "Unit Area", to-wit:

New Mexico Principal Meridian

Township 23 North, Range 8 West

Sections 1 through 36: All

Township 23 North, Range 9 West

Sections 1 through 36: All

containing 46,116.61 acres, more or less; and

WHEREAS, the parties hereto, in accord with the provisions of Section 7 and 12 of the Unit Agreement desire to provide for the apportionment of costs and benefits among the Working Interest Owners and to establish between themselves certain matters relating to the development and operation of the said Unit Area.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby agreed by and between the parties hereto as follows:

1. UNIT AGREEMENT CONFIRMED.

The Unit Agreement, including the exhibits thereto, is hereby confirmed and adopted and made a part of this agreement. Terms employed in this agreement shall bear the same meaning as given them in the Unit Agreement. The unit area shall be developed and operated for the production and handling of unitized substances in accord with the Unit Agreement and this Unit Operating Agreement. In the event of any inconsistency or conflict between provisions of this agreement and the Unit Agreement, the Unit Agreement shall prevail.

2. TITLES.

a. Each of the parties hereto represents to all other parties hereto that its ownership of oil, gas and mineral interests in the unit area is correctly stated in the schedule attached as Exhibit "B" to the Unit Agreement. In the event such representation of any party is erroneous or the title of any party hereto fails, in whole or in part, the interests of the parties hereunder

shall be accordingly adjusted to the end that no party shall be credited with interests that it does not own. Parties contributing acreage to the unit and receiving credit hereunder therefor shall, subject to the provisions of Section 2c below, bear the entire loss occasioned by any failure of title or defect in their title or encumbrance thereon and shall save the other parties hereto harmless from any obligation or liability on account thereof. All title curative expense and all costs and expenses incurred in defending or establishing title to any interest in the unitized substances shall be borne by the party or parties hereto who claim such interest.

b. Within fifteen (15) days following its execution of this agreement, each Working Interest Owner shall furnish to the Unit Operator copies of its leases, operating agreement or other documents upon which it relies as establishing its ownership of working interests, together with copies of its rental receipts or other evidence satisfactory to establish that such leases, agreements and/or other documents remain in full force and effect. It shall also furnish any title data in its possession relating to its working interest ownership, including the title opinion of its attorney and any curative instruments acquired in relation thereto. Where outstanding title requirements have not been satisfied, the Working Interest Owner whose title is affected shall proceed to satisfy such title requirements with due diligence and furnish proof of the satisfaction thereof to the Unit Operator.

c. As a prerequisite to the drilling of any well hereunder, Unit Operator shall obtain a title opinion by a competent attorney or attorneys selected by it, based upon examination of complete abstract of title certified to date and/or the official county and/or state or federal records as well as examination of the material submitted pursuant to Section 2b above, approving title for drilling purposes to the spacing unit upon which the

well is to be located; provided, however, that Unit Operator shall not be required to re-examine title to any spacing unit for the drilling of any second or subsequent well thereon. The party or parties owning working interests in such spacing unit shall furnish such abstracts promptly as required and shall satisfy title requirements made by the examining attorney, at such party's or parties' sole expense, without delay in order that the drilling obligation stated in the Unit Agreement shall be timely performed. Costs of title examination shall be charged as a part of the cost of drilling the well. Approving opinion of title as a prerequisite of drilling may be waived upon approval of the owners of eighty percent (80%) of the working interest committed to the unit. Any party hereto interested in obtaining the drilling of a well may post a bond in form satisfactory to the Unit Operator in an amount equal to one and one-half times the estimated cost of the proposed well, conditioned to protect all parties hereto against any loss of their investment in the well by reason of title failure, whereupon the requirement herein for an approving opinion of title will be waived. If title subsequently fails to any tract or tracts, the title to which has been cleared for drilling under this section, the Working Interest Owner thereof shall bear the entire loss in participation in unitized substances produced after such title failure which would be attributable to the leasehold estate or working interest in such tract under the terms of this agreement, but shall not be obligated to save any parties hereto harmless from any other loss occasioned thereby except to the extent of any indemnity agreement which may have been executed as hereinabove provided.

3. APPORTIONMENT OF COSTS AND BENEFITS.

Except as herein otherwise expressly provided, the cost of drilling, equipping and completing the first two test wells provided for in Section 9 of the Unit Agreement, and the cost of plugging

and abandoning same if either or both of such wells is a dry hole, shall be paid by all of the Working Interest Owners who have executed the Unit Agreement and this Agreement, each in the proportion that its ownership of working interests on an acreage basis within the Unit Area bears to the total of all such interests of such parties; provided, however, that the Working Interest Owners of an area less than the area covered by the entire Unit Agreement, by agreement, may pay the cost of drilling, equipping and completing, or plugging and abandoning either or both of the first two test wells to be drilled hereunder, and such costs shall be paid by all such Working Interest Owners in the proportion provided by such agreement.

In the event any well drilled hereunder shall encounter a unitized substance in paying quantities so as to justify the establishment of a participating area or the enlargement of an existing participating area for the formation encountered, such participating area or enlargement shall be formed as provided in the Unit Agreement. On the establishment of any participating area, there shall be a retroactive adjustment of the cost of drilling, completing and equipping for production and operating of the said test well and of the cost of Field Facilities, to the end that the owners of working interests in the participating area newly established shall reimburse without interest the party or parties who paid for the costs and expenses of drilling, completing and equipping for production and operating the well less any income derived by said party or parties up to the date of settlement, and thereafter the costs incurred and benefits derived from the operation of the well shall be borne by and shall inure to the benefit of the Working Interest Owners in the participating area in proportion to their ownership of interests therein. On the enlargement of any participating area, there shall be an investment adjustment between the owners of working interests in the enlarged participating area, to the end that the investment

within the enlarged participating area, including the investment in the allocated portion of Field Facilities, shall be paid for by the affected Working Interest Owners in the enlarged participating area in proportion to the interests of each therein and in proportion to their shares in the costs of operation and revenue to be derived from the enlarged participating area, and also to the end that the parties who have previously paid said costs shall be reimbursed on the basis hereinafter set forth. The affected Working Interest Owners in the participating area before its enlargement shall receive credit for the intangible cost of drilling, completing and equipping for production all wells capable of producing unitized substances situated within said participating area. The costs to be so credited shall be measured by the average cost of drilling, completing and equipping for production wells of like character and depth in the field in a good and workmanlike manner at the time when said wells were drilled. Credit shall also be given for the casing and other tangible properties and facilities installed in the wells or used in connection with the operation thereof at a percentage of the original cost, such percentage to be determined as provided in the Accounting Procedure. The affected Working Interest Owners on any tract outside of the participating area that is to be admitted to the enlarged participating area shall likewise receive credit for the intangible cost of drilling, completing, and equipping any wells on their respective lands so admitted, together with the value of the tangible equipment, facilities and structures located thereon and used in connection therewith, on the basis above set out. The sum total of all credit shall be the investment cost apportionable to the enlarged participating area. The investment adjustment shall be made by cash settlement among the Working Interest Owners through the Unit Operator. No credit shall be given for the previous cost of operating any wells or repairing or ~~maintaining other~~

property, nor shall there be any debit for or on account of production taken from wells prior to the effective date of the enlargement of the participating area.

"Field facilities" as that term is used hereinabove shall mean facilities which are installed for serving the entire Unit Operation such as, but not limited to, warehouses, field offices, camps, gathering system, field tankage other than that serving a particular well, power stations, power lines, water stations and water lines. Costs of field facilities shall be deemed to be the tangible and intangible cost thereof as reflected by the Operator's books, depreciated at the rate of four percent (4%) per annum, or fractional portion thereof, up to the period an adjustment is required. In the event book costs cannot be determined on certain classifications of equipment, the current market price in effect as of the date a well drilled hereunder is admitted to the participating area shall be used as a basis for price. Roads shall not be considered a part of field facilities.

In any investment adjustment made under the provisions of this Section, there shall be a separate adjustment for intangibles, and a separate adjustment for tangibles, and in such adjustment intangibles shall be exchanged only for intangibles or money and tangibles shall be exchanged only for tangibles or money.

4. ROYALTY AND OTHER PAYMENTS OUT OF PRODUCTION.

One-eighth (1/8) of all of the unitized substances produced hereunder, or the proceeds thereof, shall be set aside for the payment or delivery in kind, as the case may be, in accord with underlying leases and other documents requiring payment of royalties, by the Unit Operator or the Working Interest Owner in accord with Section 12 of the Unit Agreement. Where any working interest is burdened by royalties in excess of one-eighth (1/8) or by overriding royalties, oil payments or other payments out of production, the required payment in excess of 1/8 shall be borne

by the owner of the working interest so burdened. Before receiving its proportionate share of the unitized substances produced hereunder or the proceeds thereof, each Working Interest Owner shall pay or secure the payment of any such excess royalties or other payments constituting a burden upon its working interest.

5. RENTALS.

Each Working Interest Owner whose interest is chargeable with rentals, minimum royalties in excess of the royalties on actual production, or other payments in the nature of rentals required to maintain its working interest rights, shall properly pay such rentals, minimum royalties or other payments. The inadvertent failure of any party to properly make such payments shall not subject such party to liabilities hereunder except to the extent hereinabove provided in the event of loss of title.

6. DETERMINATIONS BY MAJORITY VOTE.

In any matter in which the action of the Unit Operator requires the concurrence of the working interest parties hereto or any of them, Unit Operator will be governed by the decision of the owners of a majority of the working interest in the participating area involved unless otherwise specified herein or in the Unit Agreement, determined in the proportion that the acreage interest of each such party in such affected participating area bears to the total acreage interest in the affected participating area. Matters affecting the unit area as a whole, shall be determined in accordance with the proportionate acreage interest as above defined in the entire unit area. In any case where one working interest party hereto holds such a majority interest, but less than the full working interest in the area affected, his vote shall require the concurrence of one additional party in order to constitute the controlling vote.

In any case in which it is necessary to poll the working interest parties hereto, Unit Operator shall notify all

affected Working Interest Owners in writing of the question for decision and its recommended course of action. Each such Working Interest Owner shall within ten (10) days of receipt of such notice advise Unit Operator in writing of its decision thereon. Within five (5) days thereafter Unit Operator shall notify each affected Working Interest Owner in writing of the result of such poll. In the event that any Working Interest Owner fails to advise Unit Operator in writing of its decision, within the 10-day period above provided, it shall be conclusively presumed that its decision is in accord with the course of action originally recommended by Unit Operator, except that, if the matter for decision is one where the nonresponding Working Interest Owner might elect, pursuant to the provisions of this agreement, not to participate originally in some element of cost or expense but instead to pay his share thereof out of production or the proceeds thereof, it shall be conclusively presumed that such nonresponding Working Interest Owner elects to follow that latter course.

The Unit Operator, except when otherwise required by governmental authority, shall not do any of the following without first obtaining the approval of such a majority interest, as provided above, in the affected participating area or unit area, as the case may be:

a. Make any expenditure in excess of Five Thousand Dollars ($5,000.00) other than normal operating expenses, except in connection with a well, the drilling of which has been previously authorized by or pursuant to this agreement; provided, however, that nothing in this paragraph shall be deemed to prevent Unit Operator from making an expenditure in excess of said amount if such expenditure becomes necessary because of a sudden emergency which may otherwise cause loss of life or extensive damage to property. In the event of such emergency expenditure, Unit Operator shall, within fifteen (15) days after making such

expenditure, give written notice to the other parties.

b. Make any arrangement for the use of facilities owned by the Working Interest Owners in one participating area for the purposes of operation and development outside said area or determine the amount of any charges therefor unless otherwise provided for in this agreement or in the Unit Agreement.

c. Dispose of any major items of surplus material or equipment having original cost of One Thousand Dollars ($1,000.00) or more, other than junk. Any such item or items of less cost may be disposed of without such consent.

d. Submit to the Supervisor or Commissioner any plan for further development of the unit area or any participating area or any proposed expansion or contraction of the unit area or any participating area.

e. Abandon any well which is producing unitized substances. Unit Operator shall not incur any costs or expenses for any single project costing in excess of Five Hundred Thousand Dollars ($500,000.00) without first obtaining the approval of the owners of eighty percent (80%) of the working interests committed to the Unit.

7. DRILLING OF ADDITIONAL WELLS.

In addition to the test wells required by Section 3 hereof, all other wells which Unit Operator is required to drill under the terms of the Unit Agreement or to comply with valid orders of governmental authorities having jurisdiction in the premises shall be drilled by Unit Operator for the account of the Working Interest Owners owning interests in the affected unit area or participating area, as the case may be. Unit Operator will also drill appropriate development wells within participating areas in accord with plans of development adopted by a majority vote of affected Working Interest Owners in accord with Section 6 above. Unit Operator will drill wells at regular well

locations outside of the applicable participating areas upon request of the Working Interest Owner or Owners owning one hundred percent (100%) of the working interest within the spacing unit upon which the well is to be located. Such wells shall be drilled in order of their request and approval by applicable governmental authorities.

Any Working Interest Owner owning a part of the working interest in a tract desiring that a well be drilled thereon outside of the participating area established hereunder for the objective formation, shall notify Unit Operator, specifying the proposed location, objective depth and estimated cost of such well. Upon receipt of such notice the Unit Operator shall advise those other Working Interest Owners, parties hereto, who, under the provisions of this agreement, would be required to share the cost and risk of the proposed well. Each such party shall, by responsive notice given to the Unit Operator within thirty (30) days of receipt of the aforesaid notice, elect as to whether such party desires to join in the drilling of such well. Failure to respond within said 30 days shall be deemed an election not to join in the drilling of the proposed well. If all of said parties elect to join, the well shall be drilled for the account of all such parties in accord with the preceding provisions of this agreement. If less than all of such parties elect to join in the drilling of such well, Unit Operator shall, upon obtaining required governmental approvals, proceed with due diligence to drill such well at the sole cost and risk of the party or parties electing to share in the costs thereof, hereinafter called the "drilling parties." In the event any such well is a dry hole (and is not taken over for plug back or deepening), it shall be plugged and abandoned at the sole cost of the drilling parties. In the event such well is a producer, it shall be tested, completed and equipped to produce by the Unit Operator at the sole

cost of the drilling parties, and such drilling parties each in proportion to its contribution to the cost of drilling, testing, completing and equipping the well shall be entitled to receive the proceeds of production from the well or, if it is capable of producing in paying quantities, shall be entitled to receive the proceeds of production allocable to the interests admitted to the participating area on account of such well, after deducting therefrom all royalties, overriding royalties, production payments and one hundred percent (100%) of the operating expenses attributable thereto, until said drilling parties shall have received therefrom one hundred fifty percent (150%) of the costs of drilling, testing, completing and equipping said well to produce. For the purposes of this section, where a party takes in kind the proceeds of production from such a well shall be computed upon the same price basis as that employed for payment of royalties to the United States on comparable production from the unit area. When the drilling parties shall have been reimbursed for 150% of said costs as hereinabove provided, proceeds from the well shall thereafter be shared by the Working Interest Owners within the participating area in the manner stipulated in Section 3 above. Any amounts which may be realized from sale or disposition of the well or equipment thereon, or required in connection with the drilling, testing, completing, equipping and operating thereof, shall be paid to the drilling parties and credited against the total unreturned portion of said 150%, with the balance thereof, if any, to be divided as provided in Section 3 above among the parties owning the well. Locations of all wells drilled under this provision must be in accord with the spacing pattern adopted by the Unit Operator for the formation to which the well is projected.

8. OPTION TO TAKE OVER WELLS.

If any well drilled under this agreement is a dry hole and the party or parties owning the well are ready to abandon it

but the well can be plugged back or deepened to a different formation, Unit Operator shall so notify the Working Interest Owners in the affected unit area or participating area as the case may be, and such parties shall have the right to take over said well and cause the Unit Operator to plug back or deepen it, as the case may be, and to complete it for the account of the parties owning working interests in the unit area or participating area, as the case may be, upon effecting an investment adjustment so as to reimburse the party or parties who shall have borne the cost of drilling said well for either their cost of drilling to a depth at which the well is taken over (computed in accordance with the Accounting Procedure attached hereto) or for the average cost of drilling from the surface to the formation in which the well is to be completed, whichever is the lesser amount. Working Interest Owners so notified hereunder shall respond as provided in Section 6. If one, but less than all, of the affecting working interest parties elects to take the well over, then Unit Operator shall take it over and conduct the specified operation for the account of the electing party or parties, and such party or parties shall be entitled to recover 150% of their costs in acquiring, deepening or plugging back, testing and completing the well in the same manner as provided in Section 7 above; provided, however, that where fifty percent (50%) of the affected Working Interest Owners elect to take the well over for use in satisfying the obligation to drill a test well hereunder, the well shall be drilled for the account of all of the affected Working Interest Owners. In the event any one well is completed as a paying producer in more than one formation, the Working Interest Owners of the respective participating areas established for such formations shall arrange for appropriate allocation of investment and operating costs of such well by separate agreement.

9. CHARGES FOR DRILLING OPERATIONS.

All wells drilled on the unit area shall be drilled on a competitive contract basis at the usual rates prevailing in the field. Any Working Interest Owner or Owners may bid and contract to use its or their tools and equipment in the drilling of any wells on the unit area. Unit Operator, if it so desires, may employ its own tools and equipment in the drilling of wells, but in such event the charge therefor shall not exceed the prevailing rate in the field and such work shall be performed by Unit Operator under the same terms and conditions as shall be customary and usual in the field in contracts of independent contractors who are doing work of a similar nature.

10. ACCESS TO OPERATIONS AND INFORMATION.

Representatives of each party hereto shall have free access to the entire unit area at all reasonable times to inspect and observe operations of every kind and character thereon. Each party hereto shall have access at all reasonable times to any and all information pertaining to wells drilled, production secured, and to the books, records and vouchers relating to the operation of the unit area. Unit Operator shall, upon request, furnish to the other parties hereto daily drilling reports, true and complete copies of well logs and other data relating to wells drilled, and shall also, upon request, make available samples and cuttings from any and all wells drilled on the unit area.

11. DISPOSITION OF PRODUCTION.

Each of the parties hereto shall take in kind or separately dispose of its proportionate share of the unitized substances produced hereunder, exclusive of production which may be used in development and producing operations of the unit area and in preparing and treating oil for marketing purposes, and production unavoidably lost. In the event any party hereto shall fail to make the arrangements necessary to take in kind or separately

dispose of its proportionate share of the unitized substances, Unit Operator shall have the right for the time being and subject to revocation at will by the party owning same to purchase such unitized substances or to sell the same to others at not less than the market price prevailing in the area. Each party hereto shall be entitled to receive directly payment for its proportionate share of the proceeds from the sale of unitized substances produced, saved and sold from the unit area, and on all purchases or sales each party shall execute any division order or contract of sale pertaining to its interest. Any extra expenditure incurred by reason of the taking in kind or separate disposition by any party hereto of its proportionate share of the production shall be borne by such party. In the event any party hereto shall have a market for its share of unitized substances but there is no available market for the share of any other party or parties hereunder, the party or parties having a market will share it with those who have no market, to the end that each party will be enabled to take its share of current production without waste or without being required to store same.

12. PIPE AND OTHER TUBULAR GOODS.

Notwithstanding any limitations of the Accounting Procedure, Exhibit A, during such times as tubular goods and other equipment are not available at the nearest customary supply point, Unit Operator shall be permitted to charge the joint account of parties responsible hereunder for all tubular goods and other equipment transferred from Unit Operator's warehouse or other stocks to the unit area for use on a particular participating area with such costs and expenses as may have been incurred in purchasing, shopping, and moving the required tubular goods and other equipment to the unit area in accord with Accounting Procedure, Exhibit A; provided, however, that each affected Working Interest Owner shall be given the opportunity, in lieu of bearing its proportionate part of such costs, of

furnishing in kind or in tonnage, as the parties may agree, its share of such tubular goods and other equipment required.

13. ADVANCES.

Each of the parties hereto shall promptly pay and discharge its proportionate part of all cost and expense on the basis set forth in the Accounting Procedure attached as Exhibit A. Unit Operator, at its election, may require the parties hereto to advance their respective proportion of development and operating costs according to the following conditions: On or before the first day of each calendar month, Unit Operator shall submit an itemized estimate of such costs for the succeeding calendar month to each of the parties hereto with a request for the payment of such party's proportionate part thereof. Within ten (10) days thereafter each of such parties shall pay, or secure the payment in a manner satisfactory to Unit Operator, such party's proportionate share of such estimate. Unit Operator shall credit each Working Interest Owner with the advances so made. Should any party fail to pay or secure the payment of such party's proportionate part of such estimate, the same shall bear interest at the rate of six percent (6%) per annum until paid. Adjustments between estimates and actual costs shall be made by Unit Operator at the close of each calendar month and the accounts of the parties adjusted accordingly.

14. OPERATOR'S LIEN.

Unit Operator shall have a lien on the interest of each of the parties in the unit area, unitized substances produced therefrom, the proceeds thereof and the material and equipment thereon, to secure the payment of such party's proportionate part of the cost and expense of developing and operating the unitized lands and to secure the payment by any such party of such party's proportionate part of any advance estimate of such cost and expense. Unit Operator shall protect such party from all other

liens arising from the operations hereunder.

15. INSURANCE.

Section 1. Unit Operator, or Unit Operator's contractors or subcontractors, shall carry for the benefit of the joint account insurance to cover drilling operations on the unit as follows:

Kind	Policy Form	Minimum Limits of Liability
Workmen's Compensation	Statutory	Statutory
Contractor's Public Liability	Comprehensive (including coverage under all sections of Policy)	B.I.($ 50,000 each person ($100,000 each accident ($100,000 aggregate P.D.($ 10,000 each accident ($ 50,000 aggregate
Motor Vehicle	Comprehensive (including non-ownership liability and hired automobile coverage)	B.I.($ 50,000 each person ($100,000 each accident P.D.($ 10,000 each accident

Section 2. With respect to producing operations conducted hereunder on the unit by the Unit Operator for the joint account of the parties hereto, Unit Operator shall maintain in effect at all times while operations are so conducted hereunder the following insurance coverage:

Kind	Policy Form	Minimum Limits of Liability
Workmen's Compensation	Statutory	Statutory
Contractor's Public Liability	Comprehensive (including coverage under all sections of policy)	B.I.($100,000 each person ($300,000 each accident ($300,000 aggregate P.D.($100,000 each accident ($100,000 aggregate
Motor Vehicle	Comprehensive (including non-ownership liability and hired automobile coverage)	B.I.($100,000 each person ($300,000 each accident P.D.($ 10,000 each accident

16. SURRENDER.

No party hereto shall surrender any of its working interests insofar as they relate to land located within a participating

area. However, should any party hereto at any time desire to surrender any of the oil and gas leases or operating agreements subject hereto, or any interest therein, insofar as they cover lands located outside such a participating area but within the unit area, it shall notify all other parties hereto in writing. Within thirty (30) days following receipt of such notice by the other parties hereto, the party desiring to surrender such working interests insofar as they affect such land may proceed to surrender the same if such right is reserved in the leases or operating agreement, unless any other party or parties hereto have, within said 30-day period, given written notice to the party desiring to surrender that they desire an assignment of said working interests insofar as they cover said land. In such event the party desiring to surrender shall assign, without express or implied warranty of title, and subject to existing covenants, contracts and reservations, all its interest in such working interests insofar as they cover such land and the wells, material and equipment located thereon, to the party or parties desiring an assignment. Thereupon such assigning party shall be relieved from all obligations thereafter accruing (but not theretofore accrued) hereunder with respect to the interest assigned. From and after the making of such assignment, the assigning party shall have no further interest in the property assigned but shall be entitled to receive from the assignees payment for its interest therein in an amount equal to the salvage value of any salvable material located on said land. If such assignment shall run in favor of more than one party hereto, the interest covered shall be shared by such parties in the proportions that the interest of each party assignee in the lands committed to the Unit Agreement ~~bears to the total~~ interest of all parties assignee in the lands committed to the Unit Agreement.

17. TAXES.

Unit Operator shall, for the joint account, render for ad valorem tax purposes the entire working interests in the unit area of all parties hereto and all personal property used in connection with operations hereunder, or such part thereof as may at any time be subject to taxation. Unit Operator shall also pay all such ad valorem taxes, at the time and in the manner required by law, which may be assessed upon or against all or any portion of such working interests and personal property. Each party shall pay its proportionate part of the total taxes so paid and expenses incurred in connection with the rendering and payment thereof in accord with Accounting Procedure, Exhibit A. Nothing herein shall relieve any Working Interest Owner of the consequence of any loss of title occasioned by failure of the landowner to pay ad valorem taxes levied against the land to which its working interest relates.

18. EMPLOYEES.

The number of employees, the selection of such employees, the hours of labor and the compensation for service to be paid any and all such employees shall be determined by the Unit Operator. Such employees shall be employees of Unit Operator.

19. LIABILITIES.

The liability of the parties hereunder shall be several and not joint or collective. Each party shall be responsible only for its obligations as herein set out and shall be liable only for its proportionate share of the cost of developing and operating the unit area as determined by the provisons hereof.

20. FORCE MAJEURE.

This agreement and the respective rights and obligations of the parties hereunder shall be subject to all valid and applicable state and federal laws, rules, regulations and orders, and in the event this agreement, or any provision thereof, is or

the operations contemplated thereby are found to be inconsistent with or contrary to any such law, rule, regulation or order, the latter shall be deemed to control and this agreement shall be regarded as modified accordingly and as so modified shall continue in full force and effect. Unit Operator shall not be liable for any loss of property or of time caused by strikes, riots, fires, tornadoes, floods, inability to obtain tubular goods or other required materials or services, or for any other cause beyond the reasonable control of Unit Operator in the exercise of due diligence.

21. NOTICES.

All notices that are required or authorized to be given hereunder shall be given in writing by registered United States mail or Western Union telegram, postage or charges prepaid, and addressed to the party to whom such notice is to be given at the address indicated for such party opposite its signature hereto. The originating notice to be given under any provision hereof shall be deemed given only when received by the party to whom such notice is directed, and the time for such party to give any response thereto shall run from the date the originating notice is received. The second or any subsequent responsive notice shall be deemed given when deposited in the United States Post Office or with the Western Union Telegraph Company with postage or charges prepaid.

22. FAIR EMPLOYMENT PRACTICES.

Unit Operator shall not discriminate against any employee or applicant for employment because of race, creed, color or national origin, and an identical provision shall be incorporated in all subcontracts.

23. UNLEASED INTERESTS.

Should the owner of any unleased interest in lands lying within the unit area become a party to the Unit Agreement and

this agreement, such unleased interest shall be treated, for all purposes of this agreement, as if there were an oil and gas lease covering such unleased interest on a form providing for the usual and customary one-eighth (1/8) royalty and containing the usual and customary "lesser interest clause." This agreement shall in no way affect the right of the owner of any such unleased interest to receive an amount or share of unitized substances equivalent to the royalty which would be payable or due under the terms of the Unit Agreement if such unleased interest were subject to such an oil and gas lease.

24. EFFECTIVE DATE AND TERM.

This Unit Operating Agreement shall become effective as of the effective date of the Unit Agreement and shall remain in full force and effect during the life of such Unit Agreement. The terms hereof shall be considered as covenants running with the ownership of working interest committed hereto and shall be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

25. EXECUTION BY COUNTERPARTS.

This agreement may be executed in counterparts with the same force and effect as if all parties executing any counterpart hereof had executed one original document. It shall be binding upon all parties executing any counterpart hereof whether or not signed by all parties listed below as owning working interests. Any party owning working interests within the unit area may execute this agreement at any time prior to its effective date. Any such Working Interest Owner desiring to join subsequent to the effective date hereof shall be permitted to join only in accord with such terms and conditions as may then be agreeable to the Unit Operator.

EXECUTED as of the day and year first above written.

UNIT OPERATOR

THREE STATES NATURAL GAS COMPANY

Date: 6-11-54

By _____ Vice President

ATTEST: _____ Secretary

Address: 1700 Corrigan Tower
Dallas, Texas

WORKING INTEREST OWNERS

ATTEST: _____ Secretary

THREE STATES NATURAL GAS COMPANY

By _____ Vice President

Address: 1700 Corrigan Tower
Dallas, Texas

ATTEST: _____ Secretary

SOUTHERN UNION GAS COMPANY

APPROVED
Legal
Engr.
Geol.

By _____ President

Address: Burt Building
Dallas, Texas

ATTEST: _____ Asst Secretary

HUMBLE OIL AND REFINING COMPANY

By _____ Vice President

Form Approved
By TRADE O K
W. A. MALEY
By

Address: Humble Building
Houston, Texas

ATTEST: _____ Secretary

SKELLY OIL COMPANY

By _____ President

Address: Skelly Building
Tulsa, Oklahoma

ATTEST:

_____
Assistant Secretary

Address: 321 West Douglas
Wichita, Kansas

ATTEST:

_____
Assistant Secretary

Address: El Dorado, Kansas

ATTEST:

_____
Assistant Secretary

Address: Wichita, Kansas

Witness:

_____

WOODRIVER OIL & REFINING CO., INC.

By _____
Vice President

EL DORADO REFINING COMPANY

By _____
Vice President

LARIO OIL AND GAS COMPANY

By _____
Vice President

_____
Roy Riddel

_____
Riddel

Address: First Natl.Bank Bldg.
Lubbock, Texas

Witness:

_____

_____
Carl Schwerdtfeger

_____

_____
Schwerdtfeger

Address: 1010 North Dustin
Farmington, New Mexico

Witness:

_____

_____
Fred C. Koch

_____

_____
Koch

Address: 321 West Douglas
Wichita, Kansas

STATE OF)
(
COUNTY OF)

On this _____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF)
(
COUNTY OF)

On this _____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:
MARJORIE R. MUNDY
Notary Public, Dallas County, Texas
My Commission Expires
June 1, 1955

_____
Notary Public in and for
County, State of

STATE OF Texas)
(
COUNTY OF Dallas)

On this 25 day of June, 1954, before me appeared A. C. Reid, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Southern Natural Gas Company and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said A. C. Reid acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

6-1-55

Mary Nan Watkins
Notary Public in and for
County, State of

STATE OF)
(
COUNTY OF)

On this _____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF)
(
COUNTY OF)

On this _____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF TEXAS)
(
COUNTY OF HARRIS)

On this 27th day of August, 1954, before me appeared DAVID FRAME, to me personally known, who, being by me duly sworn, did say that he is the Vice President of HUMBLE OIL & REFINING COMPANY and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said DAVID FRAME acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

6-1-55

WAYNE LEHEW
Notary Public in and for HARRIS
County, State of TEXAS

STATE OF)
COUNTY OF)

On this _____ day of _____, 195____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF)
COUNTY OF)

On this _____ day of _____, 195____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF)
COUNTY OF)

On this _____ day of _____, 195____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF, _____)
) SS
COUNTY OF _____)

On ~~this~~ _____ day of _____, 19____, before me personally appeared _____

_____

to me known to be the person ____ described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

_____

_____
Notary Public in and for _____
County, State of _____

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 19____, before me personally appeared _____

_____

to me known to be the person ____ described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

_____

_____
Notary Public in and for _____
County, State of _____

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 19____, before me personally appeared _____

_____

to me known to be the person ____ described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

_____

_____
Notary Public in and for _____
County, State of _____

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the said Chaco Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Operating Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

ADDRESS	SIGNATURE
Skelly Building	SKELLY OIL COMPANY
Tulsa, Oklahoma	By [signature]
Date: October 26, 1954	ATTEST: [signature]
Date:	

STATE OF [redacted])
) SS.
COUNTY OF [redacted])

On this [redacted] day of [redacted], 195[redacted], before me appeared A L [redacted], to me personally known, who, being by me duly sworn, did say that he is the [redacted] President of [redacted] and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said A L CASHMAN acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

[redacted] Notary Public Tulsa County Oklahoma
My Commission Expires January 21, 1957

Hazel M Brady
Notary Public in and for
[redacted] County,
State of [redacted]

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as _____ free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the said Chaco Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Operating Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

ADDRESS

Manufacturers Bank Building

East Moline, Illinois

Date: March 31, 1954

Box 101

Moline, Illinois

Date: March 31, 1954

SIGNATURE

R. H. Glopkoff

Mary C. Glopkoff

William C. Glopkoff

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF ILLINOIS)
) SS.
COUNTY OF ROCK ISLAND)

On this 31 day of March, 1954, before me appeared A. J. Gleckhoff and Mary C. Gleckhoff, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

February 20, 1958

_____
Notary Public in and for
Rock Island County,
State of Illinois

STATE OF ILLINOIS)
) SS.
COUNTY OF ROCK ISLAND)

On this 31 day of March, 1954, before me personally appeared William C. Hoff, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

My Commission Expires:

December 9, 1954

_____
Notary Public in and for
Rock Island County,
State of Illinois

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the said Chaco Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Operating Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

ADDRESS	SIGNATURE
312 West Third Street	Lee Hinds
Davenport, Iowa	Lee Hinds
Date: March 31, 1964	
Date:	

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF [redacted])
) SS.
COUNTY OF [redacted])

On this 31st day of March, 1954, before me appeared Leo Hines and Hazel C. Hines, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

December 9, 1954

_____
Notary Public in and for
[redacted] County,
State of [redacted]

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as _____ free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the said Chaco Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Operating Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

ADDRESS	SIGNATURE
Santa Fe, New Mexico	Edward M. Dignes
	Edward M. Dignes
Date: June 15, 1954	
Date:	

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF [redacted])
) SS.
COUNTY OF [redacted])

On this _____ day of _____, 195__, before me appeared _____ and _____ his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

_____
Notary Public in and for
_____ County,
State of _____

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

On this 15th day of June, 1954, before me personally appeared [redacted], a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

My Commission Expires:

My Co[illegible]

Notary Public in and for
Santa Fe County,
State of New Mexico

601 TULSA, OKLAHOMA

EXHIBIT "A"

Model Form-PASO-1949-1

Attached to and made a part of the Unit Operating Agreement for the Chaco Unit Area, dated June 11, 1954

ACCOUNTING PROCEDURE

(UNIT AND JOINT LEASE OPERATIONS)

I. GENERAL PROVISIONS

1. **Definitions**

The term "joint property" as herein used shall be construed to mean the subject area covered by the agreement to which this "Accounting Procedure" is attached.

The term "Operator" as herein used shall be construed to mean the party designated to conduct the development and operation of the leased premises for the joint account.

The term "Non-Operator" as herein used shall be construed to mean any one or more of the non-operating parties.

2. **Statements and Billings**

Operator shall bill Non-Operator on or before the last day of each month for its proportionate share of costs and expenditures during the preceding month. Such bills will be accompanied by statements, reflecting the total costs and charges as set forth under Sub-Paragraph A below:

A. Statement in detail of all charges and credits to the joint account.

B. Statement of all charges and credits to the joint account, summarized by appropriate classifications indicative of the nature thereof.

C. Statements, as follows:

(1) Detailed statement of material ordinarily considered controllable by Operators of oil and gas properties;

(2) Statement of all other charges and credits to the joint account summarized by appropriate classifications indicative of the nature thereof; and

(3) Statement of any other receipts and credits.

3. **Payments by Non-Operator**

Each party shall pay its proportion of all such bills within fifteen (15) days after receipt thereof. If payment is not made within such time, the unpaid balance shall bear interest at the rate of six per cent (6%) per annum until paid.

4. **Audits**

Payment of any such bills shall not prejudice the right of Non-Operator to protest or question the correctness thereof. All statements rendered to Non-Operator by Operator during any calendar year shall be conclusively presumed to be true and correct after eighteen months following the close of any such calendar year, unless within said eighteen months period Non-Operator takes written exception thereto and makes claim on Operator for adjustment. Failure on the part of Non-Operator to make claim on Operator for adjustment within such period shall establish the correctness thereof and preclude the filing of exceptions thereto or the making of claims for adjustment thereon. A Non-Operator, upon notice in writing to Operator and all other Non-Operators, shall have the right to audit Operator's accounts and records relating to the accounting hereunder, within eighteen months next following the close of any calendar year. Non-Operator shall have six months next following the examination of the Operator's records within which to take written exception to and make any and all claims on Operator. The provisions of this paragraph shall not prevent adjustments resulting from the physical inventory of property as provided for in Section VI, Inventories, hereof.

II. DEVELOPMENT AND OPERATING CHARGES

Subject to limitations hereinafter prescribed, Operator shall charge the joint account with the following items:

1. **Rentals and Royalties**

Delay or other rentals, when such rentals are paid by Operator for the joint account; royalties, when not paid direct to royalty owners by the purchaser of the oil, gas, casinghead gas, or other products.

2. **Labor, Transportation, and Services**

Labor, transportation, and other services necessary for the development, maintenance, and operation of the joint property. Labor shall include (A) Operator's cost of vacation, sickness and disability benefits of employees, and expenditures or contributions imposed or assessed by governmental authority applicable to such labor, and (B) Operator's current cost of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, bonus, and other benefit plans of like nature, applicable to Operator's field payroll; provided that the charges under Part (B) of this paragraph shall not exceed ten per cent (10%) of the total of such labor charged to the joint account.

3. **Material**

Material, equipment, and supplies purchased or furnished by Operator, for use of the joint property. So far as it is reasonably practical and consistent with efficient and economical operation, only such material shall be purchased for or transferred to the joint property as required for immediate use, and the accumulation of surplus stocks shall be avoided.

4. **Moving Material to Joint Property**

Moving material to the joint property from Vendor's or from Operator's warehouse in the district or from the other properties of Operator, but in either of the last two events no charge shall be made to the joint account for a distance greater than the distance from the nearest reliable supply store or railway receiving point where such material is available, except by special agreement with Non-Operator.

5. **Moving Surplus Material from Joint Property**
Moving surplus material from the joint property to outside vendees, if sold f.o.b. destination, or minor returns to Operator's warehouse or other storage point. No charge shall be made to the joint account for moving major surplus material to Operator's warehouse or other storage point for a distance greater than the distance to the nearest reliable supply store or railway receiving point, except by special agreement with Non-Operator; and no charge shall be made to the joint account for moving material to other properties belonging to Operator, except by special agreement with Non-Operator.

6. **Use of Operator's Equipment and Facilities**
Use of and service by Operator's exclusively owned equipment and facilities as provided in Paragraph 4, of Section III, "Basis of Charges to Joint Account."

7. **Damages and Losses**
Damages or losses incurred by fire, flood, storm, or any other cause not controllable by Operator through the exercise of reasonable diligence. Operator shall furnish Non-Operator written notice of damage or losses incurred by fire, storm, flood, or other natural or accidental causes as soon as practicable after report of the same has been received by Operator.

8. **Litigation, Judgments, and Claims**
All costs and expenses of litigation, or legal services otherwise necessary or expedient for the protection of the joint interests, including attorney's fees and expenses as hereinafter provided, together with all judgments obtained against the joint account or the subject matter of this agreement; actual expenses incurred by any party or parties hereto in securing evidence for the purpose of defending against any action or claim prosecuted or urged against the joint account or the subject matter of this agreement.
   A. If a majority of the interests hereunder shall so agree, actions or claims affecting the joint interests hereunder may be handled by the legal staff of one or more of the parties hereto, and a charge commensurate with the services rendered may be made against the joint account, but no such charge shall be made until approved by the legal department of or attorneys for the respective parties hereto.
   B. Fees and expenses of outside attorneys shall not be charged to the joint account unless authorized by the majority of the interests hereunder.

9. **Taxes**
All taxes of every kind and nature assessed upon or in connection with the properties which are the subject of this agreement, the production therefrom or the operation thereof, and which taxes have been paid by the Operator for the benefit of the parties hereto.

10. **Insurance**
   A. Premiums paid for insurance carried for the benefit of the joint account, together with all expenditures incurred and paid in settlement of any and all losses, claims, damages, judgments, and other expenses, including legal services, not recovered from insurance carrier.
   B. If no insurance is required to be carried, all actual expenditures incurred and paid by Operator in settlement of any and all losses, claims, damages, judgments, and any other expenses, including legal services, shall be charged to the joint account.

11. **District and Camp Expense**
A proportionate share of the salaries and expenses of Operator's District Superintendent and other general district or field employees serving the joint property, whose time is not allocated direct to the joint property, and a proportionate share of maintaining and operating a district office and all necessary camps, including housing facilities for employees if necessary, in conducting the operations on the joint property and other leases owned and operated by Operator in the same locality. The expense of, less any revenue from, these facilities shall include depreciation or a fair monthly rental in lieu of depreciation on the investment. Such charges shall be apportioned to all leases served on some equitable basis consistent with Operator's accounting practice. Such charges shall not exceed, in any event, $200.00 per month for each drilling well and $50.00 per month for each producing well, whether productive of oil or gas.

12. **Overhead**
Overhead charges, which shall be in lieu of any charges for any part of the compensation or salaries paid to managing officers and employees of Operator, ~~including the division superintendent, the entire staff and expenses of the division office located at~~ _____, and any portion of the office expense of the principal business office located at Dallas, Texas, but which are not in lieu of district or field office expenses incurred in operating any such properties, or any other expenses of Operator incurred in the development and operation of said properties; and Operator shall have the right to assess against the joint property covered hereby the following overhead charges:
A. $250.00 per month for each drilling well, beginning on the date the well is spudded and terminating when it is on production or is plugged, as the case may be, except that no charge shall be made during the suspension of drilling operations for fifteen (15) or more consecutive days.

B. $30.00 per well per month for the first five (5) producing gas wells.
C. $25.00 per well per month for the second five (5) producing gas wells.
C1. $15.00 per well per month for all producing gas wells over ten (10).
D. $75.00 per well per month for the first five (5) producing oil wells.
D1. $50.00 per well per month for the second five (5) producing oil wells.
D2. $35.00 per well per month for all producing oil wells over ten (10).
E. In connection with overhead charges, the status of wells shall be as follows:
   (1) In-put or key wells shall be included in overhead schedule the same as producing oil wells.
   (2) Wells permanently shut down but on which plugging operations are deferred shall be dropped from overhead schedule at the time the shutdown is effected. When such wells are plugged, overhead shall be charged at the producing well rate during the time required for the plugging operation.
   (3) Wells being plugged back or drilled deeper shall be included in overhead schedule the same as drilling wells.
   (4) Various wells may be shut down temporarily and later replaced on production. If and when a well is shut down (other than for proration) and not produced or worked upon for a period of a full calendar month, it shall not be included in the overhead schedule for such month.
   (5) Salt water disposal wells shall not be included in overhead schedule.

F. The above overhead schedule on producing wells shall be applied to individual leases; provided that, whenever leases covered by this agreement are operated as a unitized project in the interest of economic development, the schedule shall be applied to the total number of wells, irrespective of individual leases.

G. The above specific overhead rates may be amended from time to time by agreement between Operator and Non-Operator if, in practice, they are found to be insufficient or excessive.

13. **Warehouse Handling Charges** None.

14. **Other Expenditures**
Any other expenditure incurred by Operator for the necessary and proper development, maintenance and operation of the joint property.

III. BASIS OF CHARGES TO JOINT ACCOUNT

1. **Purchases**
Material and equipment purchased and service procured shall be charged at price paid by Operator, after deduction of all discounts actually received, trade discounts only.

2. **Material Furnished by Operator**
Material required for operations shall be purchased for direct charge to joint account whenever practicable, except that Operator may furnish such material from Operator's stocks under the following conditions:

A. New Material (Condition "A")
(1) New material transferred from Operator's warehouse or other properties shall be priced f. o. b. the nearest reputable supply store or railway receiving point, where such material is available, at current replacement cost of the same kind of material. This will include material such as tanks, rigs, pumps, sucker rods, boilers, and engines. Tubular goods (2" and over), shall be priced on carload basis effective at date of transfer and f. o. b. railway receiving point nearest the joint account operation, regardless of quantity transferred.
(2) Other material shall be priced on basis of a reputable supply company's Preferential Price List effective at date of transfer and f. o. b. the store or railway receiving point nearest the joint account operation where such material is available.
(3) Cash discount shall not be allowed.

B. Used Material (Condition "B" and "C")
(1) Material which is in sound and serviceable condition and is suitable for reuse without reconditioning shall be classed as Condition "B" and priced at 75% of new price.
(2) Material which cannot be classified as Condition "B" but which,
(a) After reconditioning will be further serviceable for original function as good second hand material (Condition "B"), or
(b) Is serviceable for original function but substantially not suitable for reconditioning,
shall be classed as Condition "C" and priced at 50% of new price.
(3) Material which cannot be classified as Condition "B" or Condition "C" shall be priced at a value commensurate with its use.
(4) Tanks, derricks, buildings, and other equipment involving erection costs shall be charged at applicable percentage of knocked-down new price.

3. **Warranty of Material Furnished by Operator**
Operator does not warrant the material furnished beyond or back of the dealer's or manufacturer's guaranty; and, in case of defective material, credit shall not be passed until adjustment has been received by Operator from the manufacturers or their agents.

4. **Operator's Exclusively Owned Facilities**
The following rates shall apply to service rendered to the joint account by facilities owned exclusively by Operator:

A. Water service, fuel gas, power, and compressor service: At rates commensurate with cost of providing and furnishing such service to the joint account but not exceeding rates currently prevailing in the field where the joint property is located.

B. Automotive Equipment: Rates commensurate with cost of ownership and operation. Such rates should generally be in line with schedule of rates adopted by the Petroleum Motor Transport Association, or some other recognized organization, as recommended uniform charges against joint account operations and revised from time to time. Automotive rates shall include cost of oil, gas, repairs, insurance, and other operating expense and depreciation; and charges shall be based on use in actual service on, or in connection with, the joint account operations. Truck, tractor, and pulling unit rates shall include wages and expenses of driver.

C. A fair rate shall be charged for the use of drilling and cleaning-out tools and any other items of Operator's fully owned machinery or equipment which shall be ample to cover maintenance, repairs, depreciation, and the service furnished the joint property; provided that such charges shall not exceed those currently prevailing in the field where the joint property is located.

D. Whenever requested, Operator shall inform Non-Operator in advance of the rates it proposes to charge.

E. Rates shall be revised and adjusted from time to time when found to be either excessive or insufficient.

IV. DISPOSAL OF LEASE EQUIPMENT AND MATERIAL

The Operator shall be under no obligation to purchase interest of Non-Operator in surplus new or secondhand material. Derricks, tanks, buildings, and other major items shall not be removed by Operator from the joint property without the approval of Non-Operator. Operator shall not sell major items of material to an outside party without giving Non-Operator an opportunity either to purchase same at the price offered or to take Non-Operator's share in kind.

1. **Material Purchased by Operator**
Material purchased by Operator shall be credited to the joinf account and included in the monthly statement of operations for the month in which the material is removed from the joint property.

2. **Material Purchased by Non-Operator**
Material purchased by Non-Operator shall be invoiced by Operator and paid for by Non-Operator to Operator immediately following receipt of invoice. The Operator shall pass credit to the joint account and include the same in the monthly statement of operations.

3. **Division in Kind**
Division of material in kind, if made between Operator and Non-Operator, shall be in proportion to their respective interests in such material. Each party will thereupon be charged individually with the value of the material received or receivable by each party and corresponding credits will be made by the Operator to the joint account, and such credits shall appear in the monthly statement of operations.

4. **Sales to Outsiders**
Sales to outsiders of material from the joint property shall be credited by Operator to the joint account at the net amount collected by Operator from Vendee. Any claims by Vendee for defective material or otherwise shall be charged back to the joint account, if and when paid by Operator.

V. BASIS O' RICING MATERIAL TRANSFERRED FROM JOINT ACCOUNT

Material purchased by either Operator or Non-Operator or divided in kind, unless otherwise agreed, shall be valued on the following basis:

1. **New Price Defined**
New price as used in the following paragraphs shall have the same meaning and application as that used above in Section III, "Basis of Charges to Joint Account."

2. **New Material**
New material (Condition "A"), being new material procured for the joint account but never used thereon, at 100% of current new price.

3. **Good Used Material**
Good used material (Condition "B"), being used material in sound and serviceable condition, suitable for reuse without reconditioning,
   A. At 75% of current new price if material was charged to joint account as new, or
   B. At 75% of current new price less depreciation consistent with their usage on and service to the joint property, if material was originally charged to the joint property as secondhand at 75% of new price.

4. **Other Used Material**
Used Material (Condition "C"), being used material which
   A. After reconditioning will be further serviceable for original function as good secondhand material (Condition "B"), or
   B. Is serviceable for original function but substantially not suitable for reconditioning,
at 50% of current new price.

5. **Bad-Order Material**
Used material (Condition "D"), being material which cannot be classified as Condition "B" or Condition "C", shall be priced at a value commensurate with its use.

6. **Junk**
Junk (Condition "E"), being obsolete and scrap material, at prevailing prices.

7. **Temporarily Used Material**
When the use of material is of a temporary nature and its service to the joint account does not justify the reduction in price as provided in Paragraph 3B, above, such material shall be priced on a basis that will leave a net charge to the joint account consistent with the value of the service rendered.

VI. INVENTORIES

1. **Periodic Inventories**
Periodic inventories shall be taken by Operator of the joint account material, which shall include all such material as is ordinarily considered controllable by operators of oil and gas properties.

2. **Notice**
Notice of intention to take inventory shall be given by Operator at least ten days before any inventory is to begin, so that Non-Operator may be represented when any inventory is taken.

3. **Failure to be Represented**
Failure of Non-Operator to be represented at the physical inventory shall bind Non-Operator to accept the inventory taken by Operator, who shall in that event furnish Non-Operator with a copy thereof.

4. **Reconciliation of Inventory**
Reconciliation of inventory with charges to the joint account shall be made by each party at interest, and a list of overages and shortages shall be jointly determined by Operator and Non-Operator.

5. **Adjustment of Inventory**
Inventory adjustments shall be made by Operator with the joint account for overages and shortages, but Operator shall only be held accountable to Non-Operator for shortages due to lack of reasonable diligence.

6. **Special Inventories**
Special inventories may be taken, at the expense of the purchaser, whenever there is any sale or change of interest in the joint property, and it shall be the duty of the party selling to notify all other parties hereto as quickly as possible after the transfer of interest takes place. In such cases both the seller and the purchaser shall be represented and shall be governed by the inventory so taken.

UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION
OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
NO. 14 08 001 2026

THIS AGREEMENT, made and entered into as of the 11th day of June, 1958, by and between the parties subscribing, ratifying or consenting hereto and herein referred to as the "parties hereto,"

W I T N E S S E T H:

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

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended by the Act of August 8, 1946, 60 Stat. 950, 30 U.S.C. Sections 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 (Chapter 88 Laws 1943, New Mexico Statutes 1941 Annotated, Sections 8-1138 to 8-1141) to consent to and approve the development or operation of lands of the State of New Mexico under this Agreement; and

WHEREAS, the rules and regulations governing the leasing of restricted allotted and tribal Indian lands for oil and gas except allotments made to the members of the five civilized tribes and Osage Indians in Oklahoma, promulgated by the Secretary of the Interior (25 C.F.R. 189.24(c)) under and pursuant to

the Act of March 3, 1909, 35 Stat. 783, 25 U.S.C. Section 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U.S.C. Section 396a et seq., and the oil and gas leases covering said allotted and tribal Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by an Act of the Legislature (Chapter 72 Laws 1935) to approve this Agreement and the conservation provisions hereof; and

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

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

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

1. ENABLING ACT AND REGULATIONS.

The 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; as to Indian lands, the Acts of March 3, 1909, and May 11, 1938, 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, provided such regulations are not inconsistent with the terms of this Agreement; and as to State of New Mexico 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 New Mexico are hereby accepted and made a part of this Agreement.

2. UNIT AREA.

The following described land is hereby designated and recognized as constituting the Unit Area:

New Mexico Principal Meridian

Township 23 North, Range 8 West

Sections 1 through 36: All;

Township 23 North, Range 9 West

Sections 1 through 36: All;

containing ~~46,116.91~~ 46,119.43 acres, more or less.

Exhibit "A" attached hereto is a map showing the Unit Area and the boundaries and identity of tracts and leases in said 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, percentage, and kind of ownership of oil and gas interests in all land in the unit area. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes in the unit area render such revision necessary or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor," or when requested by the Commissioner of Public Lands of the State of New Mexico, hereinafter referred to as "State Commissioner,"

and not less than seven (7) copies of the revised exhibits shall be filed with the Supervisor and at least one (1) copy thereof shall be filed with the State Commissioner and one (1) copy with the New Mexico Oil Conservation Commission, hereinafter referred to as "State Commission." The Commissioner of Indian Affairs shall hereafter be referred to as the "Indian Commissioner."

The above described unit area shall, when practicable, be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this Agreement, or shall be contracted to exclude lands not within any participating area whenever such expansion or contraction is necessary or advisable to conform with the provisions of this Agreement. Such expansion or contraction shall be effected in the following manner:

(a) Unit Operator, on its own motion or on demand of the Director of the Geological Survey, hereinafter referred to as "Director," or on demand of the State Commissioner, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, and the proposed effective date thereof.

(b) Said notice shall be delivered to the Supervisor and State Commissioner, and copies thereof mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that thirty (30) days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Supervisor and the State Commissioner evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the

Director and the State Commissioner, become effective as of the date prescribed in the notice thereof.

All land committed to this Agreement shall constitute land referred to herein as "unitized land" or "land subject to this Agreement."

3. UNITIZED SUBSTANCES.

All oil and gas in any and all formations of the unitized land are unitized under the terms of this Agreement and herein are called "unitized substances."

4. UNIT OPERATOR.

Three States Natural Gas Company, a Delaware corporation with offices at Dallas, Texas, is hereby designated as Unit Operator and by signature hereto as Unit Operator commits to this Agreement all interests in unitized substances vested in it as set forth in Exhibit "B" hereto and agrees and consents to accept the duties and obligations of Unit Operator for the discovery, 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 interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such an interest is owned by it.

5. RESIGNATION OR REMOVAL OF UNIT OPERATOR.

Unit Operator shall have the right to resign at any time prior to the establishment of a participating area or areas hereunder, 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 notice of intention to resign has been served by Unit Operator on all working interest owners and the Director and the State Commissioner, and until all wells then

drilled hereunder are placed in a satisfactory condition for suspension or abandonment, whichever is required by the Supervisor as to federal and Indian lands and by the State Commissioner as to state and privately-owned lands, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

Unit Operator shall have the right to resign in like manner and subject to like limitations as above provided at any time a participating area established hereunder is in existence, but provided, however, until a successor unit operator is selected and approved as hereinafter provided, the working interest owners shall be jointly responsible for performance of the duties of Unit Operator, and shall not later than thirty (30) days before such resignation becomes effective appoint a common agent to represent them in any action to be taken hereunder.

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

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interests determined in like manner as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Director and State Commissioner. If removal because of default or failure occurs during the existence of a participating area established hereunder, the working interest owners jointly shall be responsible for performance of the duties of the Unit Operator until a successor unit operator is selected and approved as herein provided and shall, not later than the effective date of such removal, appoint a common agent to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this Agreement shall not terminate its right, title, or interest as the owner of a working interest or other interest in unitized substances, but upon the resignation or removal of Unit Operator becoming effective such Unit Operator shall deliver possession of all equipment, materials and appurtenances used in conducting the unit operations and owned by the working interest owners to the new duly qualified successor Unit Operator or to the owners thereof if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

6. SUCCESSOR UNIT OPERATOR.

Whenever the Unit Operator shall tender his or its resignation as Unit Operator or shall be removed as hereinabove provided, the owners of the working interests in the participating area or areas according to their respective acreage interests in such participating area or areas, or until a participating area shall have been established, the owners of the working interests according to their respective acreage interests in all unitized land, shall by majority vote select a successor Unit Operator; provided, that, if a majority but less than seventy-five percent (75%) of the working interests qualified to vote are owned by one party to this Agreement, a concurring vote of sufficient additional working interest owners shall be required so as to constitute in the aggregate not less than seventy-five percent (75%) of the total working interests in order to select a new operator. 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 Director and Commissioner. If no successor Unit Operator is selected and qualified as herein provided, the Director

and State Commissioner at their election may declare this Unit Agreement terminated.

7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT.

If the Unit Operator is not the sole owner of working interests, costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid in the first instance by Unit Operator and such costs and expenses so paid by Unit Operator shall be apportioned among and borne by the owners of working interests and the Unit Operator reimbursed, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the owners of working interests, whether one or more, separately or collectively. Any agreement or agreements, entered into between the working interest owners and the Unit Operator as provided in this section, whether one or more, are herein referred to as the "unit operating agreement." Such unit operating agreement shall also provide the manner in which the working interest owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts, and such other rights and obligations as between Unit Operator and the working interest owners as may be agreed upon by Unit Operator and the working interest owners; however, no such unit operating agreement shall be deemed either to modify any of the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the unit operating agreement, this Unit Agreement shall prevail. Three true copies of any unit operating agreement executed pursuant to this section shall be filed with the Supervisor.

Notwithstanding any provision contained herein to the contrary, each working interest owner shall have the right to take

such owner's proportionate share of the unitized substances in kind or to personally sell or dispose of the same, and nothing herein contained shall be construed as giving or granting to the Unit Operator the right to sell or otherwise dispose of the proportionate share of any working interest owner without specific authorization from time to time so to do.

8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR.

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

9. DRILLING TO DISCOVERY.

Within three (3) months after the effective date hereof, the Unit Operator shall begin to drill an initial test well at a location within the boundaries of Township 23 North, Range 9 West, and not later than six (6) months after the completion of said initial test well Unit Operator shall begin to drill a second test well within the boundaries of Township 23 North, Range 8 West, each of such locations to be selected by it and to be approved by the Supervisor, if on Federal or Indian land, or the State Commissioner, if on State land, unless on such effective

date a well or wells is or are being drilled conformably with the terms hereof, and thereafter continue such drilling diligently until the Dakota formation has been tested in both the initial and second test wells or the Unit Operator shall at any time establish to the satisfaction of the Supervisor, if on federal or Indian land, or the State Commissioner, if on state land, that the further drilling of either or both of said wells would be unwarranted or impracticable; provided, however, that Unit Operator shall not in any event be required to drill said wells to a depth in excess of eight thousand (8,000) feet.

Until the discovery of a deposit of unitized substances capable of being produced in paying quantities, the Unit Operator shall continue drilling diligently one well at a time, allowing not more than six (6) months between the completion of one well and the beginning of the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of said Supervisor if on federal or Indian land, or the State Commissioner if on state land, or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formations drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in Section 5 hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section. The Director and State Commissioner may modify the drilling requirements of this section by granting reasonable extensions of time when, in their opinion, such action is warranted.

Upon failure to comply with the drilling provisions of this section, the Director and the State Commissioner may, after reasonable notice to the Unit Operator, and each working interest owner, lessee and lessor at their last known addresses declare

this Unit Agreement terminated.

10. PLAN OF FURTHER DEVELOPMENT AND OPERATION.

Within six (6) months after the completion of a well capable of producing unitized substances in paying quantities, the Unit Operator shall submit for the approval of the Supervisor, the State Commissioner and the State Commission an acceptable plan of development and operation for the unitized land which, when approved by the Supervisor, the State Commissioner and the State Commission shall constitute the further drilling and 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 the approval of the Supervisor, the State Commissioner and the State Commission, a plan for an additional specified period for the development and operation of the unitized land. Any plans submitted pursuant to this section shall provide for the exploration of the unitized area and for the determination of the area or areas thereof capable of producing unitized substances in paying quantities in each and every productive formation and shall be as complete and adequate as the Supervisor and the State Commissioner and the State Commission may determine to be necessary for timely development and proper conservation of the oil and gas resources of the unitized area and shall (a) specify the number and locations of any wells to be drilled and the proposed order and time for such drilling; and (b) to the extent practicable specify the operating practices regarded as necessary and advisable for proper conservation of natural resources. Separate plans may be submitted for separate productive zones, subject to the approval of the Supervisor, the State Commissioner and the State Commission. Said plan or plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this Agreement. Reasonable diligence shall

be exercised in complying with the obligations of the approved plan of development.

The Supervisor and Commissioner are authorized to grant a reasonable extension of the six (6) months period herein prescribed for submission of an initial plan of development where such action is justified because of unusual conditions or circumstances. After completion hereunder of a well capable of producing oil or gas in paying quantities, no further wells, except such as may be necessary to afford protection against operations not under this Agreement, or such undrilled initial test wells specified in Section 9 above, or such as may be specifically approved by the Supervisor and the State Commissioner shall be drilled except in accordance with a plan of development approved as herein provided.

11. PARTICIPATION AFTER DISCOVERY.

Upon completion of a well capable of producing unitized substances in paying quantities or as soon thereafter as required by the Supervisor or the State Commissioner, the Unit Operator shall submit for approval by the Supervisor, the State Commissioner and the State Commission, a schedule based on subdivisions of the public land survey or aliquot parts thereof, of all unitized land then regarded as reasonably proved to be productive of unitized substances in paying quantities; all land in said schedule, on approval of the Supervisor, the State Commissioner and the State Commission to constitute a participating area, effective as of the date of first production, said schedule shall set forth the percentage of unitized substances to be allocated as herein provided, to each unitized tract in the participating area so established, and said schedule shall govern the allocation from and after the date the participating area becomes effective. A separate participating area shall be established in like manner for each separate pool or deposit of unitized substances, or for any group

thereof produced as a single zone or pool, and any two or more participating areas so established may be combined into one with the consent of the owners of all working interest of the lands so to be combined and the approval of the Supervisor, the State Commissioner and the State Commission. The participating area or areas so established and approved shall be revised from time to time, subject to like approval, whenever such action appears proper as a result of further drilling operations or otherwise to include additional land then regarded as reasonably proved to be productive in paying quantities, or to exclude land then regarded as reasonably proved not to be productive, and the percentage of allocation shall also be revised accordingly. The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, unless a more appropriate effective date is specified in the schedule. No land shall be excluded from a participating area on account of depletion of the unitized substances.

It is the intent of this section that a participating area shall represent the area known or reasonably estimated to be productive in paying quantities, but regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the Director, the State Commissioner and the State Commission as to the proper definition or redefinition of a participating area, or until a participating area has, or areas have, been established as provided herein, the portion of all payments affected thereby may be impounded in a manner mutually acceptable to the owners of working interests, except royalties due the United States, Indians and the State of New Mexico, which shall be determined by the Supervisor for federal or Indian lands

and the State Commissioner for state lands and the amount thereof deposited as directed by the Supervisor and the State Commissioner respectively to be held as unearned money until a participating area is finally approved and then applied as earned or returned in accordance with a determination of the sum due as federal, Indian and state royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the Supervisor as to wells drilled on federal and Indian land and of the State Commissioner as to wells drilled on state land, and the State Commission as to wells on privately-owned land, that a well drilled under this Agreement is not capable of production in paying quantities and inclusion of the land on which it is situated in a participating area is unwarranted, production from such well shall, for the purposes of settlement among royalty interest owners, be allocated to the land on which the well is located so long as such land is not within a participating area established for the pool or deposit from which such production is obtained. Settlement for working interest benefits from such a well shall be made as provided in the unit operating agreement.

12. ALLOCATION OF PRODUCTION.

All unitized substances produced from each participating area established under this Agreement, except any part thereof used in conformity with good operating practices within the unitized area for drilling, operating, camp and other production or development purposes, for repressuring or recycling in accordance with a plan of development approved by the Supervisor, the State Commissioner and the State Commission, or unavoidably lost, shall be deemed to be produced equally on an acreage basis from the several tracts of unitized land of the participating area established for such production and, for the purpose of determining any benefits accruing under this Agreement, each such tract of unitized land shall have allocated to it such percentage of said

production as the number of acres of such tract included in said participating area bears to the total acres of unitized land in said participating area, except that allocation of production hereunder for purposes other than for settlement of the royalty, overriding royalty, or payment out of production obligations of the respective working interest owners, shall be on the basis prescribed in the unit operating agreement whether in conformity with the basis of allocation herein set forth or otherwise. It is hereby agreed that production of unitized substances from a participating area shall be allocated as provided herein regardless of whether any wells are drilled on any particular part or tract of said participating area. If any gas produced from one participating area is used for repressuring or recycling purposes in another participating area, the first gas withdrawn from such last mentioned participating area for sale during the life of this Agreement shall be considered to be the gas so transferred until an amount equal to that transferred shall be so produced for sale and such gas shall be allocated to the participating area from which initially produced as constituted at the time of such final production.

13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND OR FORMATIONS AND DRILLING OF WELLS NOT MUTUALLY AGREED UPON.

Any party or parties hereto owning or controlling the working interests or a majority of the working interests in any unitized land having thereon a regular well location may, with the approval of the Supervisor as to federal or Indian land, and the State Commissioner as to state land, and the State Commission as to privately-owned land, and subject to the provisions of the unit operating agreement, at such party's sole risk, cost, and expense drill a well to test any formation for which a participating area has not been established or to test any formation for which a participating area has been established if such location

is not within said participating area, or drill any well not mutually agreed to by all interested parties, unless within ninety (90) days of receipt of notice from said party of his intention to drill the well the Unit Operator elects and commences to drill such well in like manner as other wells are drilled by the Unit Operator under this Agreement.

If any well drilled as aforesaid by a working interest owner results in production such that the land upon which it is situated may properly be included in a participating area, such participating area shall be established or enlarged as provided in this Agreement, and the party or parties paying the cost of drilling such well shall be reimbursed as provided in the unit operating agreement for the cost of drilling such well, and the well shall thereafter be transferred to and operated by Unit Operator in accordance with the terms of this Agreement and the unit operating agreement.

If any well drilled as aforesaid by a working interest owner obtains production in quantities insufficient to justify the inclusion in a participating area of the land upon which such well is situated, such well may be operated and produced by the party drilling the same subject to the conservation requirements of this Agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. ROYALTY SETTLEMENT.

The United States, the Indians and the State of New Mexico and all royalty owners who, under existing contracts, are entitled to take in kind a share of the substances now unitized hereunder produced from any tract, shall hereafter be entitled to the right to take in kind their share of the unitized substances allocated to such tract, and Unit Operator, or in case of the operation of a well by a working interest owner as herein in

special cases provided for, such working interest owner, shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws, and regulations. Settlement for royalty interest 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 royalties due under their leases.

If gas obtained from lands not subject to this Agreement is introduced into any participating area of the lands being operated hereunder, for use in repressuring, stimulation of production, or increasing ultimate recovery, which shall be in conformity with a plan first approved by the Supervisor, the State Commissioner and the State Commission, a like amount of gas, after settlement as herein provided for any gas transferred from any other participating area and with due allowance for loss or depletion from any cause, may be withdrawn from the formation into which the gas was introduced, royalty free as to dry gas, but not as to the products extracted therefrom; provided that such withdrawal shall be at such time as may be provided in the plan of operations or as may otherwise be consented to by the Supervisor, the State Commissioner and the State Commission as conforming to good petroleum engineering practice; and provided further, that such right of withdrawal shall terminate on the termination of this Unit Agreement.

Royalty due the United States and the Indians shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized federal or

Indian land as provided herein at the rates specified in the respective federal or Indian leases, or at such lower rate or rates as may be authorized by law or regulation; provided, that for leases on which the royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though each participating area were a single consolidated lease.

Royalty due on account of state and privately-owned lands shall be computed and paid on the basis of all unitized substances allocated to such lands.

15. RENTAL SETTLEMENT.

Rental or minimum royalties due on leases committed hereto shall be paid by working interest owners responsible therefor under existing contracts, laws, and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof due under their leases. Rental or minimum royalty for lands of the United States and Indian lands subject to this Agreement shall be paid at the rate specified in the respective leases from the United States and Indians unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

Rentals on State of New Mexico lands subject to this Agreement shall be paid at the rates specified in the respective leases, or may be reduced or suspended upon the order of the State Commissioner pursuant to applicable laws and regulations.

With respect to any lease on non-federal or non-Indian land containing provisions which would terminate such lease unless drilling operations were within the time therein specified commenced upon the land covered thereby or rentals paid for the privilege of deferring such drilling operations, the rentals

required thereby shall, notwithstanding any other provision of this Agreement, be deemed to accrue and become payable during the term thereof as extended by this Agreement and thereafter until the required drilling operations are commenced upon the land covered thereby or some portion of such land is included within a participating area.

16. CONSERVATION.

Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to state or federal law or regulation.

17. DRAINAGE.

The Unit Operator shall take appropriate and adequate measures to prevent drainage of unitized substances from unitized land by wells on land not subject to this Agreement, including wells on adjacent unit areas, or pursuant to applicable regulations pay a fair and reasonable compensatory royalty as determined by the Supervisor for federal or Indian lands or as approved by the State Commissioner for state lands.

18. LEASES AND CONTRACTS CONFORMED AND EXTENDED.

The terms, conditions, and provisions of all leases, subleases, and other contracts relating to exploration, drilling, development, or operation for oil or gas of 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 as to federal and Indian leases and the State Commissioner as to state leases shall and each by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change, or revoke the drilling, producing, rental, minimum royalty, and royalty requirements of federal, Indian and state leases

committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this Agreement, and, without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

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

(b) Drilling and producing operations performed hereunder upon any tract of unitized lands will be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

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

(d) Each lease, sublease or contract relating to the exploration, drilling, development or operation for oil or gas of lands other than those of the United States and the Indians, committed to this Agreement, 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. Termination of this Agreement shall not affect any lease which, pursuant to the terms thereof or applicable law, shall continue in full force and effect thereafter.

(e) Any federal lease for a fixed term of twenty (20) years or any renewal thereof or any part of such lease which is made subject to this Agreement shall continue in force beyond the term provided therein until the termination hereof. Any other federal or Indian lease committed hereto shall continue in force beyond the term so provided therein or by law as to the committed land so long as such land remains committed hereto, provided unitized substances are discovered in paying quantities within the unit area prior to the expiration date of the primary term of such lease.

(f) Each sublease or contract relating to the operation and development of unitized substances from lands of the United States, or the Indians, committed to this Agreement, which by its terms would expire prior to the time at which the underlying lease, as extended by the immediately preceding paragraph, will expire, 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 the underlying lease as such term is herein extended.

(g) Any lease having only a portion of its lands committed hereto shall be segregated as to the portion committed and the portion not committed, and the terms of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. In the event any such lease provides for a lump-sum rental payment, such payment shall be prorated between the portions so segregated in proportion to the acreage of the respective tracts.

19. 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, royalty, or other 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, photostatic, or certified copy of the instrument of transfer.

20. EFFECTIVE DATE AND TERM.

This Agreement shall become effective upon approval by the Indian Commissioner, the Director and the State Commissioner and shall terminate on October 1, 1957, unless (a) such date of expiration is extended by the Director and State Commissioner, or (b) it is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substances in paying quantities in the formations tested hereunder and after notice of intention to terminate the Agreement on such ground is given by the Unit Operator to all parties in interest at their last known addresses, the Agreement is terminated with the approval of the Director and State Commissioner, or (c) a valuable discovery of unitized substances has been made on unitized land during said initial term or any extension thereof, in which event the Agreement shall remain in effect for such term and so long as unitized substances can be produced in paying quantities, i.e., in this particular instance in quantities sufficient to pay for the cost of producing same from wells on unitized land within any participating area

established hereunder and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as the unitized substances so discovered can be produced as aforesaid, or (d) it is terminated as heretofore provided in this Agreement.

This Agreement may be terminated at any time by not less than seventy-five (75) per centum, on an acreage basis, of the owners of working interests signatory hereto, with the approval of the Director and State Commissioner; notice of any such approval to be given by the Unit Operator to all parties hereto.

21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION.

All production and the disposal thereof shall be in conformity with allocations and quotas made or fixed by any duly authorized person or regulatory body under any federal or state statute. The Director 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 State Commission 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 State Commissioner and as to any lands of the State of New Mexico or privately-owned lands subject to this Agreement as to the quantity and rate of production in the absence of specific written approval thereof by the State Commission.

Powers in this section vested in the Director shall only be exercised after notice to Unit Operator and opportunity

for hearing to be held not less than fifteen (15) days from notice.

22. AUTOMATIC CONTRACTION.

Notwithstanding any other provisions of this Agreement, land subject hereto, which, five years from the effective date hereof or two years after the date of first sale of unitized substances discovered hereunder, whichever period expires later, is situated one mile or more outside the boundary of participating lands then established hereunder, shall be automatically eliminated by legal subdivisions from and no longer subject to this Agreement unless on the expiration of the applicable period as specified above drilling operations by the Unit Operator are in progress at a location one mile or more outside the participating lands, in which event non-participating land shall remain subject hereto for so long as such drilling operations are continued diligently without a lapse of time of more than one year between the completion of one such well and the beginning of the next such well. Inasmuch as any contraction under this section is automatic, the Unit Operator shall, within ninety (90) days after any such contraction hereunder, define the area so eliminated, and upon the approval of the Director of the Geological Survey of the area to be eliminated, promptly notify all parties affected thereby.

If conditions beyond the control of the Unit Operator require modification of the provisions of this subsection, such modification, if filed ninety (90) days in advance of any provisions hereinabove specified, may be accomplished by consent of ninety percent (90%) of the current, unitized working interests and record interests, respectively, with approval of the Director.

If non-participating lands eliminated under this section are subsequently proved productive and determined to be a logical part of this unit area, the provisions of section 2 of

this Agreement prescribing procedures for expansion of the area shall become applicable just as if such lands had never been a part of the unit. Reinclusion in the unit area of such lands shall not be considered automatic commitment or recommitment thereof.

23. CONFLICT OF SUPERVISION.

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

24. APPEARANCES.

Unit Operator shall, after notice to other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Department of the Interior, the Commissioner of Public Lands and the New Mexico Oil Conservation Commission and to appeal from orders issued under the regulations of said Department, the State Commission or State

Commissioner, or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior, the State Commissioner or State Commission, or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his own expense to be heard in any such proceeding.

25. NOTICES.

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

26. NO WAIVER OF CERTAIN RIGHTS.

Nothing in this Agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the state wherein said unitized lands are located, or of the United States, or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

27. UNAVOIDABLE DELAY.

All obligations under this agreement requiring the Unit Operator to commence or continue drilling 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

agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

28. FAIR EMPLOYMENT.

The Unit Operator shall not discriminate against any employee or applicant for employment because of race, creed, color or national origin, and an identical provision shall be incorporated in all subcontracts.

29. 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 Unit Agreement, so that such tract is not committed to this Unit Agreement, or the operation thereof hereunder becomes impractical as a result thereof, such tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to title as to any royalty, working interest, or other 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 federal, Indian and state land or leases, no payments of funds due the United States, Indians or the State of New Mexico should be withheld, but such funds of the United States shall be deposited as directed by the Supervisor, and such funds of the State shall be deposited as directed by the State Commissioner, to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

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

30. **NON-JOINDER AND SUBSEQUENT JOINDER.**

If the owner of any substantial interest in a tract within the unit area fails or refuses to subscribe or consent to this Agreement, the owner of the working interest in that tract may withdraw said tract from this Agreement by written notice to the Director, the State Commissioner and the Unit Operator prior to the approval of this Agreement by the Director. Any such tract not so withdrawn shall be considered as unitized, and any necessary adjustments of royalty occasioned by failure of the royalty and record owner to join will be for the account of the corresponding working interest owner. Any oil or gas interests in lands within the unit area not committed hereto prior to submission of this Agreement for final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this Agreement, and, if the interest is a working interest, by the owner of such interest also subscribing to the unit operating agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approvals, if any, pertaining to such joinder, as may be provided for in the unit operating agreement. After final approval hereof, joinder by a non-working interest owner must be consented to in writing by the working interest owner committed hereto and responsible for the payment of any benefits that may accrue hereunder in behalf of such non-working interest. Prior to final approval hereof, joinder by any owner of a non-working interest must be accompanied by appropriate joinder by the owner of the corresponding working interest in order for the interest to be regarded as effectively committed hereto. Except as may otherwise herein be provided, subsequent joinders to this Agreement shall be effective as of the first day of the month following the filing with the Supervisor, the State Commissioner and the State

Commission of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this Agreement unless objection to such joinder is duly made within sixty (60) days by the Director, State Commissioner or State Commission.

31. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or 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 such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above-described unit area.

32. SURRENDER.

Nothing in this Agreement shall prohibit the exercise by any working interest owner of the right to surrender vested in such party in any lease, sublease, or operating agreement as to all or any part of the lands covered thereby, provided that each party who will or might acquire such working interest by such surrender or by forfeiture as hereafter set forth, is bound by the terms of this Agreement.

If as a result of any such surrender, the working interest rights as to such lands become vested in any party other than the fee owner of the unitized substances, said party shall forfeit such rights and no further benefits from operations hereunder as to said land shall accrue to such party, unless within ninety (90) days thereafter said party shall execute this Agreement and the unit operating agreement as to the working interest acquired through such surrender, effective as though such land had remained continuously subject to this Agreement and the unit

operating agreement. And in the event such agreements are not so executed, the party next in the chain of title shall be and become the owner of such working interest at the end of such ninety (90) day period, with the same force and effect as though such working interest had been surrendered to such party.

If as the result of any such surrender or forfeiture the working interest rights as to such lands become vested in the fee owner of the unitized substances, such owner may:

(1) Execute this Agreement and the unit operating agreement as a working interest owner, effective as though such land had remained continuously subject to this Agreement and the unit operating agreement.

(2) Again lease such lands but only under the condition that the holder of such lease shall within thirty (30) days after such lands are so leased execute this Agreement and the unit operating agreement, effective as though such land had remained continuously subject to this Agreement and the unit operating agreement.

(3) Operate or provide for the operation of such land independently of this Agreement as to any part thereof or any oil or gas deposits therein not then included within a participating area.

If the fee owner of the unitized substances does not execute this Agreement and the unit operating agreement as a working interest owner or again lease such lands as above provided, within six (6) months after any such surrender or forfeiture, such fee owner shall be deemed to have waived the right to execute the unit operating agreement or lease such lands, and to have agreed, in consideration for the compensation hereinafter provided, that operations hereunder shall not be affected by such surrender.

For any period the working interest in any lands are not expressly committed to the unit operating agreement as the

result of any such surrender or forfeiture, the benefits and obligations of operations accruing to such lands under this Agreement and the unit operating agreement shall be shared by the remaining owners of unitized working interest in accordance with their respective participating working interest ownerships, and such owners of working interests shall compensate the fee owner of unitized substances in such lands by paying sums equal to the rentals, minimum royalties, applicable to such lands under the lease in effect when the lands were unitized, as to such participating area or areas.

Upon commitment of a working interest to this Agreement and the unit operating agreement as provided in this section, an appropriate accounting and settlement shall be made, to reflect the retroactive effect of the commitment, for all benefits accruing to or payments and expenditures made or incurred on behalf of such surrendered working interest during the period between the date of surrender and the date of recommitment, and payment of any moneys found to be owing by such an accounting shall be made as between the parties then signatory to the unit operating agreement and this Agreement within thirty (30) days after the recommitment. The right to become a party to this Agreement and the unit operating agreement as a working interest owner by reason of a surrender or forfeiture as provided in this section shall not be defeated by the non-existence of a unit operating agreement and in the event no unit operating agreement is in existence and a mutually acceptable agreement between the proper parties thereto cannot be consummated, the Supervisor and State Commissioner may prescribe such reasonable and equitable agreement as they deem warranted under the circumstance.

Nothing in this section shall be deemed to limit the right or joinder of subsequent joinder to this Agreement as provided elsewhere in this Agreement. The exercise of any right

vested in a working interest owner to reassign such working interest to the party from whom obtained shall be subject to the same conditions as set forth in this section in regard to the exercise of a right to surrender.

UNIT OPERATOR

THREE STATES NATURAL GAS COMPANY

Date: _____ By_____
Vice President

ATTEST:

Address: 1700 Corrigan Tower
Dallas, Texas

_____
Secretary

WORKING INTEREST OWNERS

ATTEST: THREE STATES NATURAL GAS COMPANY

_____ By_____
Secretary Vice President

Address: 1700 Corrigan Tower
Dallas, Texas

ATTEST: SOUTHERN UNION GAS COMPANY

_____ By_____
Secretary

Address: Burt Building
Dallas, Texas

ATTEST: HUMBLE OIL AND REFINING COMPANY

_____ By_____
Secretary

Address: Humble Building
Houston, Texas

ATTEST: SKELLY OIL COMPANY

_____ By_____
Secretary

Address: Skelly Building
Tulsa, Oklahoma

vested in a working interest owner to reassign such working interest to the party from whom obtained shall be subject to the same conditions as set forth in this section in regard to the exercise of a right to surrender.

UNIT OPERATOR

THREE STATES NATURAL GAS COMPANY

Date: 6-11-57

By _____ Vice President

ATTEST: _____ Secretary

Address: 1700 Corrigan Tower
Dallas, Texas

WORKING INTERREST OWNERS

ATTEST: _____ Secretary

THREE STATES NATURAL GAS COMPANY

By _____ Vice President

Address: 1700 Corrigan Tower
Dallas, Texas

APPROVED
Legal
Engr.
Exploi.

ATTEST: _____ Asst Secretary

SOUTHERN UNION GAS COMPANY

By _____

Address: Burt Building
Dallas, Texas

ATTEST: _____ Asst Secretary

HUMBLE OIL AND REFINING COMPANY

By _____ VICE PRESIDENT

Form Approved
By
TRADE O K
W. A. MALEY
By

Address: Humble Building
Houston, Texas

ATTEST: _____ Secretary

SKELLY OIL COMPANY

By _____

Address: Skelly Building
Tulsa, Oklahoma

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RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Shelly Building	SHELLY OIL COMPANY
Tulsa, Oklahoma	By: G. T. Cashman, Vice-President
Date: October 28, 1954	ATTEST: W. A. Hawley, Assistant Secretary
Date:	

Tracts 59-63; 73-76, 98-101

STATE OF [redacted])
) SS.
COUNTY OF [redacted])

On this [redacted] day of [redacted], 195[redacted], before me appeared [redacted], to me personally known, who, being by me duly sworn, did say that he is the [redacted] President of [redacted] and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said [redacted] acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:
HAZEL M. BRADY
Notary Public Tulsa County, Oklahoma
My Commission Expires January 21, 1957

Notary Public in and for
[redacted] County,
State of [redacted]

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

_____

Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that __he executed the same as _____ free act and deed.

My Commission Expires:

_____

Notary Public in and for
_____ County,
State of _____

ATTEST:

WOODRIVER OIL & REFINING CO., INC.

_____
Assistant Secretary

By _____
Vice President

Address: 321 West Douglas
Wichita, Kansas

ATTEST:

EL DORADO REFINING COMPANY

_____
Assistant Secretary

By _____
Vice President

Address: El Dorado, Kansas

ATTEST:

LARIO OIL AND GAS COMPANY

_____
Assistant Secretary

By _____
Vice President

Address: Wichita, Kansas

Witness:

_____ _____
Roy Riddel

_____ _____
Riddel

Address: First Natl.Bank Bldg.
Lubbock, Texas

Witness:

_____ _____
Carl Schwerdtfeger

_____ _____
Schwerdtfeger

Address: 1010 North Dustin
Farmington, New Mexico

Witness:

_____ _____
Fred C. Koch

_____ _____
Koch

Address: 321 West Douglas
Wichita, Kansas

STATE OF)
(
COUNTY OF)

On this_____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF Texas)
(
COUNTY OF Dallas)

On this 11 day of June, 1954, before me appeared Max Cohen, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Universal National Co. and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said Max Cohen acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:
MARJORIE R. MUNDY
Notary Public, Dallas County, Texas
My Commission Expires
June 1, 1955

Marjorie R. Mundy
Notary Public in and for Dallas
County, State of Texas

STATE OF Texas)
(
COUNTY OF Dallas)

On this 25 day of June, 1954, before me appeared J. C. Reid, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Southern Union Gas Company and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said J. C. Reid acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

6-1-55

Mary Nan Watkins
Notary Public in and for
County, State of

STATE OF)
(
COUNTY OF)

On this _____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF)
(
COUNTY OF)

On this _____ day of _____, 195___, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
County, State of

STATE OF TEXAS)
(
COUNTY OF HARRIS)

On this 27th day of August, 195 4, before me appeared DAVID FRAME, to me personally known, who, being by me duly sworn, did say that he is the Asst President of HUMBLE OIL & REFINING COMPANY and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said DAVID FRAME acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

6-1-55

WAYNE LEMEN
Notary Public in and for HARRIS
County, State of TEXAS

STATE OF _____)
COUNTY OF _____) SS

On this _____day of _____, 19____, before me personally appeared _____

_____

to me known to be the person ____ described in and who executed the foregoing instrument, and acknowledged that _____executed the same as _____free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

_____

_____
Notary Public in and for _____
County, State of _____

STATE OF _____)
COUNTY OF _____) SS

On this _____day of _____, 19____, before me persbnally appeared _____

_____

to me known to be the person ____ described in and who executed the foregoing instrument, and acknowledged that _____executed the same as _____free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

_____

_____
Notary Public in and for _____
County, State of _____

STATE OF _____)
COUNTY OF _____) SS

On this _____day of _____, 19____, before me personally appeared _____

_____

to me known to be the person ____ described in and who executed the foregoing instrument, and acknowledged that _____executed the same as _____free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

_____

_____
Notary Public in and for _____
County, State of _____

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior under the Allotted Land Mineral Leasing Act of March 3, 1[illegible], (3[illegible] Stat. [illegible]3, [illegible] U.S.C. Sec. 3[illegible]) and the Tribal Land Mineral Leasing Act approved May 11, 1[illegible]3 ([illegible] Stat. 3[illegible]7, 2[illegible] U.S.C. 3[illegible]A, et seq.), as to certain restricted Tribal and allotted Indian lands and delegated to the Commissioner of Indian Affairs by Departmental Order [illegible] of January 11, 1[illegible]4 (1[illegible] Fed. Reg. 2[illegible]-2[illegible]).

Pursuant to the authority vested in the Secretary of the Interior as to Federal lands under the Act of February 2[illegible], 1[illegible] (41 Stat. 4[illegible]7, 3[illegible] U.S.C. Sec. 1[illegible]1) as amended by the Act of August [illegible], 1[illegible] ([illegible] Stat. [illegible], 3[illegible] U.S.C. 1[illegible]1) and the Act of August 7, 1[illegible]7, [illegible] Stat. [illegible]13, and delegated to the Director of the United States Geological Survey by Departmental Order No. 23[illegible] dated October [illegible], 1[illegible]7, 12 F.R. [illegible]7[illegible]4, 43 C.F.R., Sec. 4.[illegible]11, we do hereby:

A. Approve the attached agreement for the development and operation of the Chaco unit area, San Juan County, New Mexico, dated the 11th day of June, 1[illegible]4.

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

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

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

Dated:

_____

Commissioner of Indian Affairs

Dated:

_____, 1955

Acting Director, United States
Geological Survey

CERTIFICATE OF APPROVAL BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO, OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

WHEREAS, the attached Unit Agreement for the development and operation of the Chaco Unit Area situated in San Juan County, New Mexico, and wherein El Paso Natural Gas Company is designated as Operator of said unit plan of development and operation, has been presented to the Commissioner of Public Lands of the State of New Mexico for his examination and approval, and

WHEREAS, said Unit Area has been adopted and executed by various parties owning and holding interest in oil and gas leases situated within the proposed Unit Area, and

WHEREAS, the said Commissioner has found:

(a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area;

(b) That under the operations proposed the State will receive its fair share of the recoverable oil or gas in place under its lands in the area affected;

(c) That the agreement is, in other respects, for the best interests of the State;

(d) That the agreement provides for the unit operation of the area, for the allocation of production and the sharing of proceeds from a part of the area covered by the agreement on an acreage basis as specified in the agreement.

NOW, THEREFORE, by virtue of the authority conferred upon me by Chapter 88 of the Laws of the State of New Mexico, 1943, as amended by Chapter 162 of the Laws of the State of New Mexico, 1951, I, the undersigned Commissioner of Public Lands for the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said agreement and do hereby amend all leases embracing lands of the State of New Mexico committed to said unit agreement, to conform and extend said leases as provided in said agreement so that the provisions of each such lease, so far as they apply to lands within such area, will conform to the provisions of such agreement and so that the length of the secondary term as to lands within such area will be extended to coincide with the terms of such agreement. This approval is subject to all of the provisions of the aforesaid Chapter 88 of the Laws of the State of New Mexico, 1943, as amended by Chapter 162 of the Laws of the State of New Mexico, 1951.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 14 day of January 1952.

E. S. Walker

Commissioner of Public Lands
of the State of New Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 444
ORDER No. R-240

THE APPLICATION OF THREE STATES NATURAL GAS COMPANY FOR AN ORDER APPROVING A PROPOSED UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA CONSISTING OF 45,998.49 ACRES SITUATED IN TOWNSHIP 23 NORTH, RANGES 8 AND 9 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. December 16, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 16th day of January, 1953, the Commission having before it for consideration the testimony adduced at the hearing of said case and being fully advised in the premises,

FINDS:

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

(2) That the proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

That the order herein shall be known as the:

"CHACO UNIT AGREEMENT ORDER"

SECTION 1. (a) That the project herein shall be known as the Chaco Unit Agreement and shall hereafter be referred to as the "Project."

(b) That the plan by which the Project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Chaco Unit Area referred to in the Petitioner's petition and filed with said petition and such plan shall be known as the Chaco Unit Agreement Plan.

SECTION 2. That the Chaco Unit Agreement shall be, and is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval of said agreement shall not be considered as waiving or relinquishing in any manner any rights, duties, or obligations

which are now or may hereafter be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Chaco Unit Agreement or relative to the production of oil or gas therefrom.

SECTION 3. (a) That the Unit Area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

Township 23 North, Range 8 West
All of Sections 1 thru 36, inclusive

Township 23 North, Range 9 West
All of Sections 1 thru 36, inclusive

Containing 45,998.49 acres of land, more or less.

(b) The Unit Area may be enlarged or contracted as provided in said Plan.

SECTION 4. That the unit operator shall file with the Commission an executed original or executed counterpart thereof of the Chaco Unit Agreement not later than 30 days after the effective date thereof.

SECTION 5. That any party owning rights in the unitized substances who does not commit such rights to said Unit Agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or a counterpart thereof. The Unit Operator shall file with the Commission within 30 days an original or any such counterpart.

SECTION 6. That this order shall become effective on the first day of the calendar month next following the approval of the Commissioner of Public Lands and the Director of the United States Geological Survey and shall terminate ipso facto on the termination of said Unit Agreement. The last Unit Operator shall immediately notify the Commission in writing of such termination.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

SEAL

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower	Madge Jones
Dallas 1, Texas	Madge Jones, a feme sole
Date: March 15, 1954	
Date:	

Tract 2, 6, 7, 14, 21

(1)

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the ____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public In and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

_____

_____
Notary Public In and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 15 day of March, 1954, before me personally appeared Madge Jones, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:
TREVA P. LEVERTON
Notary Public Dallas County Texas
My Commission Expires June 1, 1955

Treva P. Leverton
Notary Public In and for
Dallas County,
State of Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
1700 Corrigan Tower	Frances B. English
Dallas 1, Texas	Leroy English
Date: March , 1954	
Date:	

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF NEW MEXICO)
) SS.
COUNTY OF SAN JUAN)

On this 5th day of April, 1954, before me appeared Leroy English and Frances E. English, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:
Sept. 9, 1956

Thelma D. Inman
Notary Public in and for
San Juan County,
State of New Mexico

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as _____ free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
1700 Corrigan Tower	Irma P. Loverton Irma P. Loverton, a feme sole
Dallas 1, Texas	
Date: March 15, 1954	
Date:	

1 - 3, 5, 7, 9, 11, 13, 15, 17, 19, 22

(E)

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 15th day of March, 1954, before me personally appeared Trova P. Loverton, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:

_____

Naoma Williams
Notary Public in and for
Dallas County,
State of Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
1700 Corrigan Tower	C. L. Cooper
Dallas 1, Texas	Esther V. Cooper
Date: March 17, 1954	
Date:	

4, 18

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the ____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 17th day of March, 195 4, before me appeared W. L. Cooper and Esther V. Cooper, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:
FRANCES FLOURNOY
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

Frances Flournoy
Notary Public in and for
Dallas County,
State of Texas

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as ____ free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
1700 Corrigan Tower	K. M. Willsem K. M. Willsem
Dallas 1, Texas	Maxine C. Willsem Maxine C. Willsem, his wife
Date: April , 1954	
Date:	

Ltr 4-5

(5)

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of April, 1954, before me appeared X. M. Wilson, _____, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF CALIFORNIA)
) SS.
COUNTY OF San Mateo)

G.R.A.
N.P.
M.C.W.

On this 13th day of April, 1954, before me personally appeared Marion C. Wilson, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My Commission Expires:

March 13, 1958

Gertrude R. Anderson
Notary Public in and for
San Mateo County,
State of California

G.R.A.
N.P.
M.C.W.

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower	Gloria Veith
Dallas 1, Texas	Gloria Veith, a feme sole
Date: March 16th, 1954	
Date:	

Irs 6-25

22.

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 16th day of March, 195[illegible], before me personally appeared Gloria Wells, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:

FRANCES FLOURNOY
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

Frances Flournoy
Notary Public in and for
Dallas County,
State of Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower	Neal Reese
Dallas, Texas	Faye Reese
Date: September 20, 1954	
Date:	

Ins. 1, 9

7

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the ____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 10th day of September, 195 4, before me appeared Neil Moore and Faye Moore, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

June 1, 1955

Notary Public in and for
Dallas County,
State of Texas

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that __he executed the same as _____ free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the [redacted] Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production ~~covered by said Unit~~ Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower	Margaret Clark
Dallas 1, Texas	Margaret Clark, a feme sole
Date: March 5, 1964	
Date:	

Sec. 10, 11

2

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 15th day of March, 1954, before me personally appeared Margaret Clark, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:
TREVA P. LEVERTON
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

Treva P. Leverton
Notary Public in and for
Dallas County,
State of Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower	Nancy Harman
Dallas 1, Texas	Nancy Harman, a feme sole
Date: March 15, 1954	
Date:	

Jan. 12, 16

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the ____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 5th day of March, 1954, before me personally appeared Nancy Marman, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:

TREVA P. LEVERTON
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

Treva P. Leverton
Notary Public in and for
Dallas County,
State of Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower Tower Petroleum Building Dallas 1, Texas	Bess Bond, a feme sole
Date: March 22, 1954	
Date:	

Jan 12, 19

(12)

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the ____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year ~~in~~ this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF)
) SS.
COUNTY OF)

On this ____ ~~day of~~ _____, 195__, before me appeared _____ and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 22 day of March, 1954, before me personally appeared Rose Ford, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:

_____

Marguerite Williams
Notary Public in and for
Dallas County,
State of Texas

MARGUERITE WILLIAMS
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall ~~be deemed fully performed by performance of the provisions of~~ said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Corrigan Tower	W. D. Thornton
Dallas, Texas	W. D. Thornton
	Eugenia Thornton
Date: September 17, 1954	Eugenia Thornton
Date:	

D. 20

(11)

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 17th day of September, 1954, before me appeared M. D. Thornton and Augusta Thornton, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

June 1, 1955

Gloria Weeks
Notary Public in and for
Dallas County,
State of Texas

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as _____ free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Burt Building	C. M. Newsom
Dallas, Texas	C. M. Newsom, Jr.
Date: ~~Sept 17, 1954~~ June 1, 1955	Jane Newsom
	Jane Newsom
Date:	

Tract 23

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF TEXAS)
) SS.
COUNTY OF DALLAS)

On this 17th day of September, 1954, before me appeared C. W. Newsom, Jr. and Jane Newsom, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

June 1, 1955

Mary Nan Watkins
Notary Public in and for
Dallas County,
State of Texas

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that __he executed the same as _____ free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
185 Sunset Road	Genieve Dieque
Albuquerque, New Mexico	
Date: [illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
Date: [illegible]	

23

13

STATE OF _____)
) SS.
COUNTY OF _____)

On this ____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF [illegible])
) SS.
COUNTY OF [illegible])

On this 14th day of July, 1954, before me appeared [illegible] and [illegible], his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

April 21, 1958

Mary E. Mullen
Notary Public in and for
[illegible] County, of Denver
State of Colorado

STATE OF NEW MEXICO)
) SS.
COUNTY OF BERNALILLO)

On this 15th day of July, 1954, before me personally appeared Genieve Hagee, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed.

My commission expires:

Dec. 29, 1956

Tom O. Bradley
Notary Public in and for
Bernalillo County,
State of New Mexico

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Manufacturers Bank Building	[signature]
East Moline, Illinois	R. H. Glockhoff Mary C. Glockhoff
Date: March , 1954	
Box 181	William C Glockhoff
Moline, Illinois	
Date: March 31, 1954	

In 40

(14)

STATE OF _____)
) SS:
COUNTY OF _____)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF [redacted])
) SS.
COUNTY OF [redacted])

On this [redacted] day of [redacted], 195[redacted], before me appeared [redacted] and [redacted], his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

February 20th, 1958

_____
Notary Public in and for
[redacted] County,
State of [redacted]

STATE OF [redacted])
) SS.
COUNTY OF [redacted])

On this [redacted] day of [redacted], 195[redacted], before me personally appeared [redacted], a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

My Commission Expires:

December 9th, 1961

_____
Notary Public in and for
[redacted] County,
State of [redacted]

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
321 West Third Street	Leo Rines
Davenport, Iowa	Leo Rines
Date: March , 1954	
Date:	

L 44

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF IOWA)
) SS.
COUNTY OF SCOTT)

On this 4th day of March, 1954, before me appeared Lee Vines and Hazel C Vines, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

July 4th 1954

Notary Public in and for
Scott County,
State of Iowa

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as _____ free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Chaco Unit Area located within the County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
Santa Fe, New Mexico	Edward M. Digmon Edward M. Digmon
Date: JUNE 15, 1954	
Date:	

Jr. 45

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

_____

_____
Notary Public in and for
_____ County,
State of _____

STATE OF ~~NEW MEXICO~~)
) SS.
COUNTY OF SANTA FE)

On this _____ day of March, 195__, before me appeared Edward N. Digneo and _____, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
Santa Fe County,
State of New Mexico

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

On this 15th day of June, 195__, before me personally appeared Edward N. Digneo, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

My Commission Expires:

_____

_____
Notary Public in and for
Santa Fe County,
State of New Mexico

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 6 day of March, 1953

Duke Smith

Bessie Sandoval

Howard Fish

STATE OF _____

COUNTY OF _____

On this 6 day of March, 1953 before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

17

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 6th day of March 1953
personally appeared

Bessie Sandoval or Mrs. Julian Sandoval, Heir of Al.[illegible]
I-149 IND 8181 Allot. 40
I-149 IND 8181 Allot. 44
I-149 IND 8181 Allot. 48

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 1 day of Jan, 1953

Nina Sanchez
Her Thumb
Dezz Pah Sanchez
His Thumb
Martin Augustine

T25N, R17W, NMPM
T25N, R18W, NMPM
T25N, R17W, NMPM
T25N, R18W, NMPM
T25N, R17W, NMPM
T25N, R18W, NMPM

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 21 day of Jan 195 3, personally appeared

Nora Sanchez
Allot. No. 45 on 149 Ind 8101
Allot. No. 44 on 149 Ind 8101
Allot. No. 43 on 149 Ind 8101

Dzoz-Pah Sanchez
Allot. No. 45 on 149 Ind 8101
Allot. No. 44 on 149 Ind 8101
Allott. No. 43 on 149 Ind 8101

Martin Augustine
Allot. No. 57 on 149 Ind 8119
Allot. No. 58 on 149 Ind 8119
Allot. No. 60 on 149 Ind 8119

Sam Pablo
Allot No. 60 on 149 Ind 8119
Allot. No. 49 on 149 Ind 8114
Allot. No. 46 on 149 Ind 8113
Allot. No. 47 on 149 Ind 8113

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 4th day of Feb, 1953

Her Mark

Jack Smith

Ernest Wilson

E101 Ght-ate-Sosie Sanchez Trs. 47, 48, 49

Sam White Tr. 96, 110

Samuel F Sandoval Tr. 113, 117

STATE OF _____

COUNTY OF _____

On this 4th day of Feb, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

State of New Mexico)
) ss.
County of McKinley)

Before me, a Notary Public, on this 4th day of Feb 1953 personally appeared

Albuquerque Sandstone
I-149 IND 8101 Allot. 46
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 45

Zuni White
I-149 IND 8117 Allot. 19
I-149 IND 8121 Allot. 17

Zuni Sandoval
I-149 IND 8111 Allot. 343
I-149 IND 8138 Allot. 343

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 19th day of Feb., 1953.

John Bessy
Kenneth Wilson

Mrs. Jean Augustine Jones
Mrs. Kyle Harrison
Mrs. Kee Ford

Wilson Trujillo
Nyole
Mrs. Charles Polk

STATE OF _____
COUNTY OF _____

On this 19th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/15/54

_____
Notary Public

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 19th day of June, 1953 personally appeared

Mrs. Juan Augustine Jr. or Mrs. Kee Harrison
or Mrs. Kee Tso
I-149 IND 8118 Allot. 80
I-149 IND 8117 Allot. 88

Teh-te-ya Trujillo or Wilson Trujillo
I-149 IND 8101 Allot. 45
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 43

Mae-Shae or Mrs. Charlie Padilla
I-149 IND 8181 Allot. 28
I-149 IND 8185 Allot. 243
I-149 IND 8185 Allot. 244

I-149 IND 8188 Allot. 247

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 10th day of Feb., 1953

Jack Smith

Howard Wilson

8173 Jack Smith T. 113, 117

8121 Ruth Betsellie or Mrs Hoke Chimney T. 116

8121 Francisca Trujillo or Trujillo Francisca T. 113, 117

8101 Ruth Platero T. 47, 48, 49

STATE OF _____

COUNTY OF _____

On this 10th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Howard Wilson
Notary Public

My commission expires:

9/1/54

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 10th day of Feb., 1953 personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Mildred Wilson

My Commission expires Sept. 1. 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 9th day of Feb., 1953.

Jack Smith

Howard Wilson

Jose or Hosteen Nez or [illegible]
Trujillo chewed Trs. 47, 48, 49, 80

8113 ~~Tony Lopez~~ C11607 Tr. 85

Beth Lopez Tr. 113, 117

Bessie L. Lopez Tr. 113, 117

STATE OF _____

COUNTY OF _____

On this 9th day of Feb, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 7th day of [illegible], 1953 personally appeared

Sosa or Hostosa Ana or Trujillo Chavez or Francisco Chavez
I-149 IND 6311 Allot. 40
I-149 IND 6101 Allot. 48
I-149 Ind 6101 Allot. 44
I-149 Ind 6101 Allot. 48

Tony Lopa
I-149 IND [illegible] Allot. 20

Beth Lopa
I-149 IND 6131 Allot. 16
I-149 IND 6135 Allot. 245

Bessie L. Lopa
I-149 IND 6131 Allot. 16
I-149 IND 6135 Allot. 245

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 2nd day of March, 1953.

Jack Smith

Howard Wilson

Her
Glee-Hop-Bah Mrs
or Mrs. Charlie Chicago

Yah-Nun-Pahe Mrs Henry Smith

Santiago Chee Jr.

T 29 N
R 9 W
103

T 29 N
47, 48, 49

STATE OF _____

COUNTY OF _____

On this 2nd day of March, 1953 before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/15/54

_____
Notary Public

56

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 2nd day of March 1953 personally appeared

Chee-hop-Bah or Mrs. Charley Phillips
I-149 IND 8107 Allot. 1
I-149 IND 8107 Heir of Allot. 50

Yah-man-pah or Mrs. Henry Carito
I-149 IND 8118 Allot. 58
I-149 Ind 8118 Allot. 47

Santiago Chavez or Sun-de-yah-go
I-149 IND 8101 Allot. 45
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 43

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently-held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 9th day of Feb, 1952.

	810' Martine Chavez His Mark	Tres. 47, 48, 49
Jack Smith	812' Frank B. Collins	Tres. 113, 117
& Howard Wilson	822' Louis Collins His Mark	Tres. 113, 117

STATE OF _____

COUNTY OF _____

On this 9th day of Feb, 1952, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 9th day of Feb., 1953 personally appeared

[illegible] Chavez Al. [illegible]
I-149-IND [illegible] Allot. 45
I-149-IND [illegible] Allot. 44
I-149-IND [illegible] Allot. 45

Frank B. Collins
I-149-IND 8141 Allot. 842
I-149-IND 8143 Allot. 843

Lewis Collins
I-149-IND 8141 Allot. 842
I-149-IND 8143 Allot. 843

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative; such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 12 day of Mar, 1962.

[redacted] – Trs. 47, 48, 49
[redacted] – Trs. 47, 48, 49
[redacted] Trs. 47, 48, 49.
[redacted] Trs. 91, 97
[redacted] Tr. 91
[redacted] Trs. 102, 103

STATE OF [redacted]
COUNTY OF [redacted]

On this 20 day of Mar, 1962, before me personally appeared [redacted] and [redacted], to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that [redacted] executed the same as [redacted] free act and deed.

My commission expires:
9/15/64

Notary Public

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 30th day of March 1953
personally appeared

R. Fister

Acting General Superintendent, For:

Jakalth-ne-yah Frank, minor
I-149 IND 8101 Allot. 45
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 43

Gee-ele-wolth Frank, minor
I-149 IND 8101 Allot. 45
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 43

Jake-lah-le-keth Frank, minor
I-149 IND 8101 Allot. 45
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 43

Keelth Chee Augustine, minor
I-149 IND 8115 Allot. 20
I-149 IND 8117 Allot. 22

Ba-keith-n-deetsah or Zah-he Woody or
Jones Woody or Jones Yazzie, minor
I-149 IND 8115 Allot. 20

Haska-yilth-ni-de-tah, minor
I-149 IND 8119 Allot. 57
I-149 IND 8119 Allot. 56

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

L. Waddell Nelson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and Joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 25th day of Feb., 1953.

Jack Smith

Ivan D. Wilson

Christine Chiquito
his mark
Nal-La Neve or Apache
Ute #0 11445 - Heir of TB-to-Ja Tail

Mrs. George Garcia
Her mark

STATE OF _____

COUNTY OF _____

On this 25th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 25th day of Feb, 1953 personally appeared

Cee or Christine Chi.aito
I-149 IND 8107 Allot. 5

Hal-in-neve or Apache (Al.#011465)
[redacted]
I-149 IND 8107 Heir of Allot. 1

Jones Yazzie, Hash-kaith-n-deetsoh or Jones Woody
I-149 IND 8115 Allot. 20

En-de-mah or Mrs. George Garcia
I-149 IND 8101 Allot. 48

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 2 day of Feb., 1953.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Mrs. Ida Belle Thomas

Mrs. Ida Belle Thomas
or Mrs. Ida Belle Thomas

Mrs. Ida Belle Thomas

Betty Jo Thomas

Mrs. Betty Jo Thomas

STATE OF _____

COUNTY OF _____

On this 2 day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

Notary Public

27

64

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 2nd day of Feb. 1953

personally appeared

Lith-hap-pah or Alice Denetso Thomas
or Mrs. Lee Thomas
I-149 IND 8103 Allot. 38

Ge-hon-es-pah Cayatito
I-149 IND 8101 Allot. 91

Deafy or Denetsaie Bodoni
I-149 IND 8121 Allot. 241
I-149 IND 8123 Allot. 243
I-149 IND 8122 Allot. 244
I-149 IND 8123 Allot. 245

Ton or Ahe-de-bah or Mrs. Frank Frank
I-149 IND 8103 Allot. 65

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 19th day of March, 1953.

Tr. 96, 110

Jack Smith

Howard Wilson

Conrad Curtis

Joe Yazzie Tr. 50

STATE OF _____

COUNTY OF _____

On this 19th day of March, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

(28)

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 19th day of March 1953 personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 12th day of Feb., 1953.

John Penny
Howard Wilson

Willie Norberto
Chee-ley or Nonia
Witness

STATE OF _____
COUNTY OF _____

On this 12th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 12 th day of Feb 1953
personally appeared

Willie Barbero C/ 18096
I-149 IND 8301 Heir of Allot. 91

Chonlay or Baron Augustine C/11909 (Al./181)
I-149 IND 8301 Heir of Allot. 91

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Hubbard

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 17 day of April, 1953.

Ne-Hos-Pah

STATE OF _____

COUNTY OF _____

On this 17 day of April, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

My commission expires:
7/1/54

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 5th day of Jan., 1953.

_____

_____

_____

_____

_____

_____

_____

_____

Leon Marchetto TR. 50

Ida M. Yoggi TR. 65, 84, 85, 86

Stella D. Tosie TR. 113, 117

_____

STATE OF _____

COUNTY OF _____

On this 5th day of Jan., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ___ executed the same as ___ free act and deed.

Howard Walson
Notary Public

My commission expires:
9/1/54

31

71

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 15 th day of June 1953 personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 7th day of Jan, 1953.

_____

_____

_____

_____

_____

_____

_____

_____

_____

Doris Bigbeard TR. 55, 94

Julius Hacum Jr. TR. 106, 109

John Lee Tah Her mother thumb TR. 52, 54

Nah-teh-Slup-pi his mother thumb Allot 38 Heir of 42 TR. 51, 54

STATE OF _____

COUNTY OF _____

On this 7th day of Jan, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:

9/15/54

(3)

73

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 7th day of June 1953 personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 14 day of April, 1952.

Us-ka-Nap-Pah-or Mrs. TR. 112
Us-ska-Nap-Pah Allot 54
or Hosteen Nez Begay Her

Sam-Sap-pi Allot 41 TR. 53
Her

As-Sun-e-Yazzie TR. 93
or Mrs. Big Hair Allot 23
Her

STATE OF New Mexico
COUNTY OF San Juan

On this 14 day of April, 1952, before me personally appeared _____ and _____, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9-15-54

Howard Gibson
Notary Public

33

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 16th day of March, 1953

_____

Jack Smith

Howard Wilson

_____

_____

_____

Joe Polick — T18S, R17W, Sec. 5, 7, 8

Harold Curtis — T19S, R17W, Sec. 32

Louise Lucille Harrison — T19S, R17W, Sec. 25

Paul Kinsey — T19S, R17W, Sec. 11

STATE OF _____

COUNTY OF _____

On this 16th day of March, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:

9/1/54

(34)

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 16th day of March 1953 personally appeared

Tah-haleen or Hahn-ti-not-lond or
Joe Patrick (Al.PVO)
I-149 IND 8305 Allot. 67
I-149 Exp 8305 Allot. 69

Hayald Curtis
I-149 IND 8117 Allot. 19
I-149 IND 8151 Allot. 17

Tith-nip-yah or Lee Elton Antonio
or Abra Lowell Harvi son
I-149 IND 8115 Allot. 88

Paul Woody or Hashkan-ten-Woody
I-149 IND 8115 Allot. 89

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 16th day of Feb., 1953.

Delsa Berry
Howard Wilson

Amos Patrick Tr. 55, 57

STATE OF _____
COUNTY OF _____

On this 16th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

91

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 16th day of Feb. 1953
personally appeared

Tah-mage or Etom-me-gah or
Amos Patrick or Ernest Patrick
I-149 IND 8103 Allot. 69
I-149 IND 8103 Allot. 67

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Arnold Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 23 day of Feb., 1955

John Benn
Lorraine Nelson

Ida Rabbo Tr. 65, 78, 84, 85, 86
Al Kaneppa Ida Gorman
or Mrs Jean Patton Al #34

Arlene Patricia Tr. 5
Ann Sc. Al #011362

STATE OF _____
COUNTY OF _____

On this 23 day of Feb., 1955, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

36

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 23 day of Feb 195[illegible]
personally appeared

[illegible] Yazzie or Mrs. Juan Pablo
I-149 IND 8108 Allot. 57
I-149 IND 8111 Allot. 54
I-149 IND 8114 Allot. 51
I-149 IND 8115 Allot. 58
I-149 IND 8116 Allot. 59

[illegible] or Arline Patrick
I-149 IND 8108 Allot. 67
I-149 IND 8108 Allot. 69

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so ~~executed~~ shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 24 day of March, 1953

Jack Smith

Howard Wilson

sic by John Yellowhair
His
Dora Mushrooman Paul
Her mark
Ida Patterson
Mrs Packer

STATE OF _____
COUNTY OF _____

On this 24 day of March, 1953 before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:

_____
Notary Public

State of New Mexico)
County of McKinley)

Before me, a Notary Public, on this 24 day of March 1953 personally appeared

John Walker
I-149 IND 8106 Allot. 67
I-149 IND 8113 Allot. 30
I-149 IND 8113 Allot. 31

I-149 IND 8113 Allot. 28

Mr. or Mrs. Henry Paul or Mattie Bowman
I-149 IND 8107 Allot. 5

Ophlia or Ida Patrick or Mrs. Pacheco
I-149 IND 8103 Allot. 67
I-149 IND 8103 Allot. 69

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico; in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 8th day of June, 1953.

Her Mark
Dan Simon
a/k/a Jose Martinez
TR. 69, 70

His Mark
Felipe Communche
TR. 91

Her Mark
Rosalie Chee
a/k/a Rosalie Chee
TR. 55, 57

STATE OF _____
COUNTY OF _____

On this 8th day of June, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Howard Watson
Notary Public

My commission expires:
9/15/54

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 8th day of Jan., 1953
personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 24 day of March, 1953.

TR. 113, 117, 118 Mrs. Klohe Chee Tsosie
TR. 118 Rafael Atencio
TR. 56 Mrs. Ellen Chee Begaye
TRS. 113, 117, 118, 119 Bert Atencio
TR. 56 Agnes Atencio
TRS. 113, 117 Gable Ely
His Mark

Witness to above
Glynn Berry
Howard Wilson

Keyhestah Atencio — TRS. 113, 117, 118
His Mark
Rafael Atencio — TR. 118
His Mark
Esther Yazzie — TR. 56

STATE OF New Mex
COUNTY OF McKinley

On this 24 day of March, 1953 before me personally appeared Howard Wilson and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Howard Wilson
Notary Public

My commission expires:
Sept 1 - 1954

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 2-4 day of March 1953
personally appeared

Asthon Yazzie or Mrs. Klas-chee-be-da-gahe
I-149-IND 8108 Allot. 88

May-keg-bah Atcenia or Mrs. Klahe Chee Tsosie
I-149 IND 8183 Allot. 844
I-149 IND 8183 Allot. 845
I-149 IND 8181 Allot. 842

Rafael Atcenia
I-149 IND 8185 Allot. 845
I-149 IND 8188 Allot. 844
I-149 IND 8182 Allot. 846
I-149 IND 8181 Allot. 842

Marvin Benetsa
I-149 IND 8181 Allot. 842

Pablo Oly
I-149 IND 8181 Allot. 842
I-149 IND 8183 Allot. 843

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 19th day of Jan, 1953.

Ben Edwards

for Halitah or Trust Patient
or Frank Gorbie

Frank Halico his
E 12192

STATE OF _____

COUNTY OF _____

On this 19th day of Jan, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ___ executed the same as ___ free act and deed.

Howard Wilson
Notary Public

My commission expires:

9/1/54

(4c)

State of New Mexico
County of McKinley } ss.

Before me a Notary Public, on this 19th day of June 1953
personally appeared

[redacted]

[redacted]

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 18th day of Feb., 1958.

Dora Ignacio Her TR. 97
El-Ka-Nes Baker Mrs. Tom Smith TR. 56
Noe-Ne-Baker Mrs Charlie Jose Her TR. 87

STATE OF _____
COUNTY OF _____

On this 18th day of Feb., 1958, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/15/61

_____
Notary Public

96

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 18 th day of Feb., 1953 personally appeared

Dave Kanelo or Davis Lonnelo
I-148 IND 8117 Allot. 28

Elizabeth or Mrs. Tom Lonnai
I-148 IND 8108 Allot. 96

Elizabeth Bennti or Mrs. Charlie Jose
I-148 IND 8115 Allot. 46

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 5th day of March, 1953.

Jack Smith

Howard Weber

George Beyale

STATE OF _____

COUNTY OF _____

On this 5th day of March, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

4

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 5-th day of March 1953 personally appeared

George Boyale
I-149 IND 8108 Allot. 66

Mrs. Ruben Martinez or Mrs. Frank Pinto
I-149 IND 8107 Allot. 8

Hah-glin-nap-pah or Kathen-do-kiy or
Glin-ben-nah-bah
I-149 IND 8108 Allot. 66

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 17th day of Feb., 1953.

Gibson Bisny

Howard Gibson

Joseph Sandoval

a Miss East Difford

Jai Be-Mah Ute Mark

a Hee a kay-Pah

STATE OF _____

COUNTY OF _____

On this 17th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 17th day of Feb., 1953 personally appeared

Yealth-bi-ghah Sandoval or Mollie Griffith
or Mrs. Earl Griffith
I-149 IND 8106 Allot. 96

Ta-[illegible]-ah (Allf196)
I-149 IND 8113 Allot. 98

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 26 day of Jan., 1952.

Julian Sandoval TR. 56

Juan Sandoval TR. 85

Her
E S Pah TR. 10
Mark

STATE OF _____

COUNTY OF _____

On this 26 day of Jan., 1952, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

My commission expires:
6/15/54

43

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 26th day of Jan 195 3
personally appeared

Julius Sandoval or Julian Sandoval
I-149 IND 8508 Allot. 05

Ehh-tl-be-im Claw or Jean Cowboy
I-149 IND 8112 Allot. 88

Ke-pah
I-149 IND 8120 Allot. 88

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Glass

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 28th day of June, 1953.

_____

_____

_____

_____

_____

_____

_____

_____

_____

Hosteen Nez TR. 56

Tideyahsbah Monty Teller Hos

TR. 102, 103 Ernest Augustine or Barney Augustine Hos

TR. 88, 103 Chee Charlie Sola Hos

Ba-sha-yazzie or Juan Augustine Mon TR. 102, 103

STATE OF _____

COUNTY OF _____

On this 28th day of June, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

Howard Cox
Notary Public

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 29th day of Jan 195 3
personally appeared

Yo-de-gah or Sherly Feller Taylor or Mah-ha-e-ago-wood
I-149 IND 6108 Allot. 98

Ba-nah-e-gothle or Barney Augustine
I-149 IND 8119 Allot. 57
I-149 IND 8119 Allot. 58

Chee or Mrs. Charlie Sola
I-149 IND 8118 Allot. 57
I-149 IND 8118 Allot. 58

Ka-ah-ya-tsa or Jean Augustine
I-149 IND 8119 Allot. 57
I-149 IND 8119 Allot. 58

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 20 day of March, 1952.

_____

_____

_____

_____

_____

_____

_____

_____

_____

T. Zah
Acting Area Superintendent, For:
John Lopo, minor
Kat-chee Lopo, minor

Tom Begale, minor
Frank Begale, minor
Chee McKinley Lopo, minor
Lucie Lopo, minor
Ke-kee Yazzie, minor
Kith-ne-bah Begale, minor
Ke-jonnie Begale, minor
Ben-jah or Ke-te-zal or Jack Yazzie, minor
Keith or Ke-ke-i-no-ot Lee or
Dennie Yazzie, minor
Ruth or Ke-ke-ne or Jones Lopo, minor

T. 36 R. 5

STATE OF New Mexico
COUNTY OF McKinley

On this 20 day of May, 1952, before me personally appeared T. Zah and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Harold Lubar
Notary Public

My commission expires:
9/1/54

45

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 30th day of December 1953

personally appeared R. Foster

Acting General Superintendent, Fort

John Lope, minor
I-149 IND 8103 Allot. 68

Stad-chee Lope, minor
I-149 IND 8103 Allot. 68

Sam Beyale, minor
I-149 IND 8103 Allot. 68

Frank Beyale, minor
I-149 IND 8103 Allot. 68

Chee Lope, minor
I-149 IND 8103 Allot. 68

Davis Lope, minor
I-149 IND 8103 Allot. 68

Ke-kee Yazzie, minor
I-149 IND 8103 Allot. 68

Alth-na-beh Beyale, minor
I-149-IND 8103 Allot. 68

E-jonnie Beyale, minor
I-149 IND 8103 Allot. 68

Hoe-yah or Ya-ne-ya or J ke Yazzie, minor
I-149 IND 8103 Allot. 68

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

-IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 5th day of Feb, 1953.

TR. 102, 103

Jack Smith

Frank Wilson

Frank Ware
Mak-gle-tha-Ina Bah
Her Mark
TR. 70

Mrs Juan Chiquito
Chairman

TRS. 64, 65, 84, 85, 86

Mrs Johnson Estrada
Her Mark

Cle-tle Pah or
Mrs Pete Estrada
Her Mark
TR. 65, 84, 85, 86

STATE OF _____
COUNTY OF _____

On this 5th day of Feb, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

46

92

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 5th day of Jan 1953 personally appeared

Frank Ware or Mat-ilth-nah-tah.
I-149 IND 8119 Allot. 57
I-149 IND 8119 Allot. 56

Nah-glee-ha-nas-bah or Mrs. Juan Chiquito
I-149 IND 8107 Allot. 5

Nkid-doe-pah or Mrs. Johnson Chaves
I-149 IND 8106 Allot. 30-self.
I-149 IND 8106 Allot. 29
I-149 IND 8106 Allot. 31

I-149 IND 8113 Allot. 28
I-149 Ind 8113 Allot. 29

Cle-ha-pah or Mrs. Juanita Lope or Mrs. Juan Martinez or Mrs. Trujillo Chaves
I-149 IND 8106 Allot. 37
I-149 IND 8106 Allot. 31
[redacted]
I-149 IND 8113 Allot. 28
I-149 IND 8113 Allot. 29

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and Joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 26th day of Feb., 1953

Jack Smith

Howard Wilson

Homer Yazzie TR. 65, 66

Dario Augustine TR. 91

His Francisco Chavez

Her Mrs. Sam Cairncache TR. 69

STATE OF _____

COUNTY OF _____

On this 26th day of Feb, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

47

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 26th day of Feb 1953
personally appeared

Mabel Yazzie or Homer Yazzie or Homer Martin
I-148 IND 8801 Allot. 39
I-148 IND 8811 Allot. 51
I-148 IND 8811 Allot. 39
I-148 IND 8811 Allot. 38

Nevis Augustine or Elsie
I-148 IND 8810 Allot. 39

Frankie Chavez or Frank Chavez
I-148 IND 8801 Allot. 43
I-148 IND 8801 Allot. 44
I-148 IND 8801 Allot. 45

I-149 IND 8808 Allot. 48
I-149 IND 8808 Allot. 38-self.

Mrs. Sam Commanche or Clemmye
I-149 IND 8814 Allot. 49-self.

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 6th day of Feb., 1953.

_____

_____

Jack Smith

_____

Howard Wilson

_____

_____

_____

_____

Sam Valdez

8106

8111 Roy Valdez

8113 Mae Centonio

8122 Esther Chee or Mrs. Tom Chee

STATE OF _____

COUNTY OF _____

On this 6th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:

9/1/54

_____
Notary Public

48

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public on this 6th day of Feb, 1953 personally appeared

Sam Valdez or Juan Lopez
I-149 IND 8106 Allot. 37
I-149 Ind 8114 Allot. 30
I-149 IND 8114 Allot 31

I-149 IND 8113 Allot. 28
I-149 IND 8113 Allot. 29

Roy Valdez or Tah-e-yah
I-149 IND 8106 Allot. 27
I-149 IND 8111 Allot. 35
I-149 IND 8114 Allot. 30
I-149 IND 8113 Allot. 31
I-149 Ind 8113 Allot. 28

Za-zkon-zes-yah or Mary Antonio
I-149 IND 8113 Allot. 28

Zsthon-ahee or Mrs. Santiago Platero or Na-nola
I-149 IND 8128 Allot. 56
I-149 IND 8128 Allot. 56

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 3rd day of March, 1953.

Julian Vicente TR. 87
or Julian Benito

Robert E. Austrum

Buttony Yazzie TR. 64, 84, 85, 86, 91

Jack Smith

STATE OF _____

COUNTY OF _____

On this 3rd day of March, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/15/54

_____
Notary Public

49

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 5th day of March, 1953 personally appeared

Julian Vicenti or Julian Vicenti
I-148 IND 6113 Allot. 46

Bitsiosi Yazzie or Bitsosy Yazzie
~~I-148 IND 6113 Allot. 21~~
I-149 IND 6113 Allot. 28
I-148 IND 6113 Allot. 20

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 3rd day of Feb., 1953.

T.R. 55 — His mark
Pollito Lope

T.R. 55, 56 — Her mark
Pah-ah-or Bah-Nuz-Nup Bah

T.R. 70 — Her mark
Kaet Nup bah or Mrs Roy Vale

T.R. 55 — His mark
Alfredo Lope

Jack Smith

Howard Wilson

STATE OF _____
COUNTY OF _____

On this 3rd day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 3rd day of Feb. 1953 personally appeared

Publito Lope
I-149-IND 8113 Allot. 28

Pah-ah or Bah-mah-nap-pah or Mrs. Jim Lope or Mrs. Tony Lope
I-149-IND 8106 Allot. 37
I-149-IND 8112 Allot. 31
I-149-IND 8114 Allot. 28
I-149-IND 8113 Allot. 36-self.
I-149-IND 8114 Allot. 29

Alfredo Lope or Fred Martinez
I-149-IND 8113 Allot. 28

I-14b-nip Bah or Mrs. Roy Valdez
I-149 IND 8109 Allot. 5

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC.

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 30 day of Mar, 1953.

R Tester
Acting General Superintendent, For:
Nelson Bittoni, Minor
Chee-h-bah Yazzie, Heir

Bertha Kay Curtis, Minor
Beulah Manuel, Minor
Vincent Wayne Tafoya, Minor
Dixon Cronquest, Minor

STATE OF New Mex
COUNTY OF McKinley

On this 30 day of Mar, 1953, before me personally appeared R Tester and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

My commission expires:
2/15/54

Howard Wilson
Notary Public

(5)

112

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 30th day of March, 1953 personally appeared

R. Foster

Acting General Superintendent, For:

Nelson Bittoni, minor
I-149 IND 8106 Allot. 37
I-149 IND 8112 Allot. 31
I-149 IND 8113 Allot. 28
I-149 IND 8110 Allot. 29

Che-he-bah Yazzie, minor
I-149 IND 8106 Allot. 37
I-149 IND 8112 Allot. 31
I-149 IND 8113 Allot. 28
I-149 IND 8110 Allot. 29

Bertha Hoy Curtis, minor
I-149 IND 8117 Allot. 19
I-149 IND 8121 Allot. 17

Beulah Mandoval, minor
I-149 IND 8121 Allot. 242
I-149 IND 8123 Allot. 243

Vincent Wayne Tofoya, minor
I-149 IND 8121 Allot. 242
I-149 IND 8123 Allot. 243
I-149 IND 8124 Allot. 244
I-149 IND 8125 Allot. 245

Lolita Cachuche, minor
I-149 IND 8121 Allot. 242
I-149 IND 8123 Allot. 243
I-149 IND 8124 Allot. 244
I-149 IND 8125 Allot. 245

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held ~~or which may arise under existing~~ option agreements, or other ~~interests~~ in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 15 day of April, 1952.

Wayne Stanford
Sophie Lunda

× Charlie Martinez T/2 67
Allot #2

STATE OF _____
COUNTY OF _____

On this _____ day of _____, 1952, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ____ executed the same as _____ free act and deed.

My commission expires:

_____
Notary Public

52

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and Joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 25th day of March, 1952

Jack Smith

Howard Wilson

Pah-she or Mrs Jo Yazzie Navajo Tr. 85

Martha Stanley Tr. 77, 85

John F Wooly Tr. 91

Henry Gussie Tr. 85

STATE OF _____

COUNTY OF _____

On this 25th day of March 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

53

115

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 25th day of March, 1953 personally appeared

[illegible] or Mrs. Joe Yazzie
I-148 IND 8113 Allot. 88

Ah-dow-gi-ah or Myrtle
I-148 IND 8111 Allot. 87
I-148 IND 8111 Allot. 88

John Y. Woody or Herbert Woody
I-148 IND 8113 Allot. 86

Henry Villito or Keith Chee or Henry Jones
or Henry Guerito
I-148 IND 8113 Allot. 85

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and Joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 12th day of Jan, 1953.

John P. Brown Tr. 113, 117

Roy Thornton Tr. 81

STATE OF _____

COUNTY OF _____

On this 12th day of Jan, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ___ executed the same as ___ free act and deed.

Howard Wilson
Notary Public

My commission expires:
9/1/54

(54)

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 12th day of June, 1953 personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

J. Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 13th day of June, 1952

Navajo

Herman Yazzie

Hon-Yoppi

his mark

Thomas Haney

El-des-Pah-at-Bish-Ne-Leh

or Mrs Tom Wilson act'g

T.R. 8

T.R. 110, 111

STATE OF _____

COUNTY OF _____

On this 13th day of June, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ____ executed the same as ____ free act and deed.

Howard Watson
Notary Public

My commission expires:
9/1/54

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 13th day of Jan, 1953
personally appeared

[redacted]

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 5th day of Jan, 1953.

Ralph H. Sandoval

Don Hosky by his mark

STATE OF _____

COUNTY OF _____

On this 5th day of Jan, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/1/54

53

181

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 5th day of June 1953

personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF ~~THE CHACO~~ UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 25th day of Feb., 1953

The - Mrs Agapito Chavez

John Peesy

Mrs Blue Sheep

Howard Wilson

STATE OF _____

COUNTY OF _____

On this 25th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

(52)

123

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 20th day of Feb 1953
personally appeared

C.O or Mrs. Agapito Atcesle or Mrs. Nine Sheep
I-148 IND 8115 Allot. 80

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or ~~interests therein, or royalties presently held~~ or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and Joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 22d day of Jan, 1953

T 35 S, R 25 E, 94

Ah-Kay-ah-de-Big Head

or Mary

STATE OF _____

COUNTY OF _____

On this 22d day of Jan, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

My commission expires:

9/1/54

(58)

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 2nd day of Jan 1953
personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF the parties hereto have executed this instrument this 23 day of Jan, 1953

T.R. 85

Myrna A Bitsuny

STATE OF New Mex
COUNTY OF McKinley

On this 23 day of Jan, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Howard Wilson
Notary Public

My commission expires:
9/1/54

187

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 22 day of Jan, 1953 personally appeared

[illegible]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and Joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 6th day of January, 1953.

Kee-Nez-Poh or
Mrs Julian Hoosea
or Kee-Nez-Bahor

Es-Nem-Poh et al
Heirs of et al 50753

STATE OF _____

COUNTY OF _____

On this 6th day of January, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

_____
Notary Public

My commission expires:
9/15/54

(60)

State of New Mexico }
County of McKinley } ss.

Before me a Notary Public, on this 6th day of June, 1953

personally appeared

[redacted]

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard P. Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC.

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 27th day of Feb., 1952

Hostah or Mrs. Jane Martin
her mark

TRS. 1, 10, 109

Orlin Perry

Howard Watson

Tom-aya-pi or Her
Juanita Augustine
her mark

TRS. 91, 92

STATE OF _____

COUNTY OF _____

On this 27th day of Feb., 1952, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

(61)

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 27th day of Feb., 1953 personally appeared

[illegible] or Mrs. Juan Martinez or Sam-ando
I-140 [illegible] Allot. 20
I-140 [illegible] Allot. 4-acre
I-140 [illegible] Allot. 20
I-140 [illegible] Allot. 8

[illegible] or Mrs. Juanita Augustine (Al./Al.)
I-140 [illegible] Allot. 20
I-140 [illegible] Allot. 21

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 24th day of Feb, 1953.

	Juan Martinez TR. 91
John Penny	Elizabeth Lopez TR. 110
Howard Nelson	Mrs. Charlie Shorty (her) Mark TR. 110
	Nah-glee-tah Nespah (her) or Mrs. Charlie Thin

STATE OF _____
COUNTY OF _____

On this 24th day of Feb., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:
9/1/54

_____
Notary Public

62

State of New Mexico
County of McKinley } ss.

Before me, a Notary Public, on this 14th day of Feb. 1953 personally appeared

[redacted]
I-148 [redacted] Allot. 80

[redacted]
I-148 [redacted] Allot. 19

[redacted] or Mrs. Charlie Thin
I-148 [redacted] Allot. 19

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

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RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 10th day of March, 1953.

Jack Smith

Howard Wilson

Ashley Lessie

8121 Southeastern Gas and Fuel Co.
Right of Way Agent

Es-Hat-e-wood or Joe Yazzie

8121

Ken Augustine

8115

STATE OF _____

COUNTY OF _____

On this 10th day of March, 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

My commission expires:

9/1/54

_____
Notary Public

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 10th day of March, 1953 personally appeared

Andy Toosie
I-149 IND 8131 Allot. 344
I-149 IND 8133 Allot. 345

Katherine Ignacio, Kin Bah or Mrs. Willie Tin
I-149 IND 8141 Allot. 17

Kee Augustine
I-149 IND 8115 Allot. 20
I-149 IND 8117 Allot. 46

Ne-hol-a-wood or Joe Tsosie (Al.#254)
I-149 IND 8131 Allot. 343
I-149 IND 8135 Allot. 345

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1. 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners ~~of lands or leases, or interests therein,~~ or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 28th day of Jan., 1953.

Her Mark

John Wesley Polk by Mrs. Robert Eaton Her Power of Attorney

Pola Mrs Victor Pena Her Mark

Martin Chavez His Mark

STATE OF _____
COUNTY OF _____

On this 28th day of Jan., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged they executed the same as their free act and deed.

Howard Wilson
Notary Public

My commission expires:
9/1/54

(64)

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 27th day of Jan., 1953 personally appeared

Yale or Mahsglesgah-nip-pah
or Mrs. Robert Estes
I-149 IND 8119 Allot. 87
I-149 IND 8119 Allot. 89

Pah or Mrs. Victor Pena
I-149 IND 8119 Allot. 87
I-149 IND 8119 Allot. 89

Martin Chavez
I-149 IND 8101 Allot. 43
I-149 IND 8101 Allot. 44
I-149 IND 8101 Allot. 45

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 9th day of Jan., 1953.

Hoska-e-ge Nelson Ernest

Tn. 113, 117

Dr Francis Padilla

STATE OF _____

COUNTY OF _____

On this 9th day of Jan., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Howard Wilson
Notary Public

My commission expires:
9/1/54

139

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 9th day of June, 1953, personally appeared

[redacted]

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-SEC._____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by ~~said Unit Agreement~~, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 21st day of Jan, 1953.

Her
Nesphorsbesch
or Mrs Martin Chee Quick

Her
Nah-glee-yah-hoyal
or Mrs Robert Estep

STATE OF _____

COUNTY OF _____

On this 21st day of Jan., 1953, before me personally appeared _____ and _____, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged, that they executed the same as her free act and deed.

My commission expires:
9/1/54

Notary Public

(66)

State of New Mexico }
County of McKinley } ss.

Before me, a Notary Public, on this 21st day of June 1953

personally appeared

Dis-pah or Dee-ah or Mrs. Martine Chaves
I-149 IND 0181 Allot. 2[illegible]
I-149 IND 0[illegible] Allot. 3[illegible]
I-149 IND 0[illegible] Allot. 344-self.

Thie or Teh-glee-yah-nig-pah or Mrs. Robert Estep
I-149 IND 0119 Allot. 87
I-149 IND 0119 Allot. 88

to me known to be the identical person(s) who executed the within foregoing lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Howard Wilson

My Commission expires Sept. 1, 1954.

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RATIFICATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
1-SEC. _____

IN CONSIDERATION of the execution of the Unit Agreement for the development and operation of the Chaco Unit Area, San Juan County, New Mexico, in a form approved on behalf of the Commissioner of Indian Affairs and of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein, or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement, hereby severally, each to the extent of his particular ownership or interest, consent to the inclusion of such lands or interests therein within the said Unit Area as defined in such Unit Agreement, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, such approval and adoption to be applicable to said several lands and interests, and we do hereby agree that the term of any lease given by the undersigned or under which the undersigned claims an interest is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement. We do hereby further agree that the drilling, development and producing rights of all leases and other contracts in which our several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. It is further understood and agreed that payment for or delivery of (whichever may be required under prior agreements) oil and/or gas, duly made at applicable contract rates, shall constitute full performance of all obligations to the undersigned existing by virtue of such leases or contracts. Such production shall be allocated as is provided for by said Unit Agreement to the particular lands to which such production is due under the terms of such Unit Agreement regardless of actual production.

This Ratification and joinder may be executed in any number of like counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, their heirs, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 30 day of Mar, 1953.

R Foster

Tract No. 1 (Exclusive Order Lands)
Sec. 8, All [illegible], 640.00
Sec. 21, E/2 NW/4, SW/4 NW/4, W/2 [illegible]

T.
121

STATE OF New Mex
COUNTY OF McKinley

On this 30 day of Mar, 1953, before me personally appeared R Foster and [illegible], to me known to be the person described in and who executed the foregoing instrument and acknowledged that executed the same as free act and deed.

Howard Nelson
Notary Public

My commission expires.
[illegible]

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EXHIBIT "B"

Schedule Showing the Percentage and Kind of Ownership of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe - Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage		Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest	
1	**Federal Lands** T-23-N, R-8-W Sec. 1: Lots 3, 4, S/2 NW/4, S/2 Sec. 2: Lots 1, 2, S/2 NE/4 Sec. 12: All Sec. 13: All Sec. 24: All	2561.65	078273 2/1/48 5 yrs. (Ext. to 1/31/58)	U.S.A. 12½% All	Roy Riddel			Roy Riddel -	All
2	T-23-N, R-9-W Sec. 24: E/2 Sec. 25: W/2 Sec. 26: W/2 Sec. 35: NE/4	1120.00	078844 5/1/48 5 yrs. (Ext. to 4/30/58)	U.S.A. 12½% All	4Madge Jones	2Frances B. English and Leroy English	1.00%	Three States Natural Gas Company	All*
3	T-23-N, R-8-W Sec. 30: E/2 Sec. 31: NE/4 T-23-N, R-9-W Sec. 24: W/2 Sec. 25: E/2 Sec. 26: E/2	1440.00	078844-A 5/1/48 5 yrs. (Ext. to 4/30/58)	U.S.A. 12½% All	5Treva P. Leverton	2Frances B. English and Leroy English	1.00%	Three States Natural Gas Company	All*

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
4	T-23-N, R-8-W Sec. 6: Lots 3, 4, 5, 6, 7, SE/4 NW/4, E/2 SW/4 Sec. 18: Lots 1, 2, 3, 4, E/2 W/2 Sec. 19: E/2 Sec. 20: NE/4 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2	1446.25	078845 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	K. M. Willson ~~W. L. Cooper~~ K. M. Willson and Maxine C. Willson	1.00%	Three States Natural Gas Company All
5	T-23-N, R-8-W Sec. 6: Lots 1, 2, S/2 NE/4, SE/4 Sec. 18: E/2 Sec. 19: Lots 1, 2, 3, 4, E/2 W/2 Sec. 20: NW/4	1122.60	078845-A 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	K. M. Willson ~~Treva P. Leverton~~ K. M. Willson and Maxine C. Willson	1.00%	Three States Natural Gas Company All
6	T-23-N, R-8-W Sec. 4: Lots 3, 4, S/2 NW/4, SW/4 Sec. 8: E/2 Sec. 9: E/2 Sec. 17: W/2	1279.49	078846 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	Madge Jones ~~Gloria Wells~~ Madge Jones	1.00%	Three States Natural Gas Company All

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
7	T-23-N, R-8-W Sec. 4: Lots 1, 2, S/2 NE/4, SE/4 Sec. 5: Lots 1, 2, S/2 NE/4, SE/4 Sec. 9: W/2 Sec. 17: E/2	1280.07	078846-A 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	~~Treva P. Leverton~~ Madge Jones / Madge Jones	1.00%	Three States Natural Gas Company All
8	T-23-N, R-8-W Sec. 21: E/2 Sec. 27: NW/4 Sec. 28: NW/4 Sec. 29: SW/4 Sec. 33: SW/4 Sec. 34: E/2	1280.00	078847 3/1/48 5 yrs. (Ext. to 2/28/58)	U.S.A. 12½% All	Neal Neece / None		Three States Natural Gas Company All
9	T-23-N, R-8-W Sec. 21: W/2 Sec. 27: NE/4 Sec. 28: NE/4 Sec. 29: SE/4 Sec. 31: SE/4 Sec. 34: W/2	1280.00	078847-A 3/1/48 5 yrs. (Ext. to 2/28/58)	U.S.A. 12½% All	Neal Neece / ~~Treva P. Leverton~~ Neal Neece and Faye Neece	1.00%	Three States Natural Gas Company All

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
10	T-23-N, R-8-W Sec. 3: Lots 1, 2, S/2 NE/4, SE/4 Sec. 10: E/2 Sec. 15: W/2 Sec. 22: E/2	1282.20	078848 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	Margaret Clark	None	Three States Natural Gas Company All*
11	T-23-N, R-8-W Sec. 3: Lots 3, 4, S/2 NW/4, SW/4 Sec. 10: W/2 Sec. 15: E/2 Sec. 22: W/2	1281.00 1280.00	078848-A 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	MARGARET CLARK ~~Treva P. Leverton~~ Margaret Clark	1.00%	Three States Natural Gas Company All*
12	T-23-N, R-8-W Sec. 11: E/2 Sec. 14: W/2 Sec. 23: E/2 Sec. 35: E/2	1280.00	078849 5/1/48 5 yrs. (Ext. to 4/30/58)	U.S.A. 12½% All	Nancy Harman	Ramon English and Juretta L. English 1.00%	Three States Natural Gas Company All*
13	T-23-N, R-8-W Sec. 11: W/2 Sec. 14: E/2 Sec. 23: W/2 Sec. 35: W/2	1280.00	078849-A 5/1/48 5 yrs. (Ext. to 4/30/58)	U.S.A. 12½% All	Treva P. Leverton	Ramon English and Juretta L. English 1.00%	Three States Natural Gas Company All*

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
14	T-23-N, R-9-W Sec. 27: W/2 Sec. 28: W/2 Sec. 33: NE/4 Sec. 34: E/2 Sec. 35: SE/4	1280.00	078850 5/1/48 5 yrs. (Ext. to 4/30/58)	U.S.A. 12½% All	Madge Jones	Ruby D. English and Paul B. English 1.00%	Three States Natural Gas Company All*
15	T-23-N, R-9-W Sec. 27: E/2 Sec. 28: E/2 Sec. 34: W/2 Sec. 35: W/2	1280.00	078850-A 5/1/48 5 yrs. (Ext. to 4/30/58)	U.S.A. 12½% All	Treva P. Leverton	Ruby D. English and Paul B. English 1.00%	Three States Natural Gas Company All*
16	T-23-N, R-9-W Sec. 1: Lots 3, 4, S/2 NW/4 Sec. 3: SW/4 Sec. 9: E/2 Sec. 10: NE/4 Sec. 15: W/2	1121.80	078851 10/1/48 5 yrs (Appl. for ext. filed)	U.S.A. 12½% All	Nancy Harman	P. B. English, Jr. and Evelyn Anne English 1.00%	Three States Natural Gas Company All*
17	T-23-N, R-9-W Sec. 1: Lots 1, 2, S/2 NE/4, SE/4 Sec. 3: Lots 1, 2, S/2 NE/4, SE/4 Sec. 9: SW/4 Sec. 10: W/2 Sec. 17: NE/4	1282.25	078851 10/1/48 5 yrs. (Appl. for ext. filed)	U.S.A. 12½% All	Treva P. Leverton	P. B. English, Jr. and Evelyn Anne English 1.00%	Three States Natural Gas Company All*

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage		Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest	
18	T-23-N, R-9-W Sec. 6: NE/4 SW/4 Sec. 19: E/2 Sec. 20: NE/4 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2 Sec. 33: SE/4	1000.46	078930 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	#W. L. Cooper	/oBess Bond	1.00%	Three States Natural Gas Company	All*
19	T-23-N, R-9-W Sec. 18: E/2 Sec. 19: Lots 1, 2, 3, 4, E/2 W/2 Sec. 30: E/2 Sec. 31: Lots 1, 2, &3	1079.47	078930-A 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	&Treva P. Leverton	/oBess Bond	1.00%	Three States Natural Gas Company	All*
20	T-23-N, R-9-W Sec. 6: Lots 6, 7, SE/4 SW/4	120.89	079274 4/1/48 5 yrs. (Ext. to 3/31/58)	U.S.A. 12½% All	//W. D. Thornton	None		Three States Natural Gas Company	All*
21	T-23-N, R-9-W Sec. 6: Lots 3, 4, 5, SE/4 NW/4	161.71	080030 3/1/48 5 yrs. (Ext. to 2/28/58)	U.S.A. 12½% All	/ Madge Jones	Richard H. Ernest and Grace Kramer Ernest	2.50%	Three States Natural Gas Company	All*

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EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Santa Fe Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
22	T-23-N, R-9-W Sec. 7: Lots 1, 2, 3, 4, E/2 W/2	320.72	080030-A 3/1/48 5 yrs. (Ext. to 2/28/58)	U.S.A. 12½% All	Treva P. Leverton	Richard H. Ernest and Grace Kramer Ernest 2.50%	Three States Natural Gas Company All*
23	T-23-N, R-9-W Sec. 6: SE/4 Sec. 7: E/2 Sec. 17: SE/4	640.00	080137 7/1/49 5 yrs.	U.S.A. 12½% All	C. M. Newsom	Genieve Disque 2.00%	Southern Union Gas Company All*
24	T-23-N, R-8-W Sec. 2: Lots 3, 4, NE/4 SW/4, NW/4 SE/4, S/2 SE/4, S/2 NW/4, Sec. 25: NE/4 Sec. 26: NW/4	642.27	080380 8/1/51 5 yrs.	U.S.A. 12½% All	Carl Schwerdtfeger None		Carl Schwerdtfeger All
25	T-23-N, R-9-W Sec. 11: NW/4	160.00	080701 9/1/51 5 yrs.	U.S.A. 12½% All	Gloria Weihs	Heath M. Robinson 1.00%	Three States Natural Gas Company All*

Total Federal Lands 27,021.83 Acres, 58.59% Percentage of Unit Area

*Held by Option. Upon exercise of Option, Working Interest will be as shown.

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	State of New Mexico Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
26	State Lands T-23-N, R-9-W Sec. 16: NW/4 NW/4, SW/4	200.00	B-10820-9 12/3/43 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company - All
27	T-23-N, R-9-W Sec. 36: S/2 NW/4	80.00	B-10888-3 12/22/43 10 yrs.	State of New Mexico 12½% All	Fred C. Koch	None	Fred C. Koch - All
28	T-23-N, R-8-W Sec. 2: SE/4 SW/4	40.00	B-11128-26 3/30/44 10 yrs.	State of New Mexico 12½% All	Paul F. Davis		Paul F. Davis - All
29	T-23-N, R-8-W Sec. 16: NE/4 NE/4, SW/4 SE/4	80.00	B-11171-52 4/11/44 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	Charles B. Gonsales 2.00%	Three States Natural Gas Company All
30	T-23-N, R-8-W Sec. 2: NW/4 SW/4 Sec. 16: NE/4 NW/4, S/2 NW/4 Sec. 32: NW/4 NW/4, SE/4 NW/4, SE/4 NE/4	280.00	B-11569-3 10/19/44 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
31	T-23-N, R-8-W Sec. 16: NW/4 NE/4	40.00	B-11569-5 10/19/44 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

EXHIBIT "B"
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Tract No.	Description	No. of Acres	State of New Mexico Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
32	T-23-N, R-8-W Sec. 32: N/2 NE/4	80.00	E-805-1 12/10/51 10 yrs.	State of New Mexico 12½% All	Doris Hernie		Doris Hernie - All
33	T-23-N, R-9-W Sec. 2: SE/4 SW/4 Sec. 16: NE/4 NW/4, SW/4 NW/4, SE/4 NW/4	160.00	E-2319-2 12/10/48 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
34	T-23-N, R-9-W Sec. 2: NW/4 SW/4 Sec. 16: NE/4 Sec. 36: E/2 SW/4, NE/4 NE/4, SW/4 NE/4	360.00	E-2319-4 12/10/48 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
35	T-23-N, R-8-W Sec. 2: SW/4 SW/4, NE/4 SE/4 Sec. 16: N/2 SE/4, SE/4 SE/4, S/2 SW/4 Sec. 36: N/2 NE/4, NW/4 SE/4	400.00	E-3147 12/10/49 10 yrs.	State of New Mexico 12½% All	Humble Oil and Refining Company	None	Humble Oil and Refining Company All
36	T-23-N, R-9-W Sec. 16: SE/4	160.00	E-4208-3 9/11/50 10 yrs.	State of New Mexico 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

EXHIBIT "B"
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of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	State of New Mexico Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
37	T-23-N, R-9-W Sec. 36: SE/4 NE/4, NW/4 NE/4, NE/4 NW/4, W/2 SW/4	200.00	E-4778-2 12/4/50 10 yrs.	State of New Mexico 12½% All	Humble Oil and Refining Company		Humble Oil and Refining Company All
38	T-23-N, R-8-W Sec. 36: E/2 SE/4	80.00	E-5113-5 4/4/51 10 yrs.	State of New Mexico 12½% All	Rose F. Wilson		Rose F. Wilson - All
39	T-23-N, R-9-W Sec. 36: NW/4 NW/4	40.00	E-5309-2 6/11/51 10 yrs.	State of New Mexico 12½% All	Bolack Oil and Gas Company	None	Bolack Oil and Gas Company All
40	T-23-N, R-8-W Sec. 36: N/2 SW/4	80.00	E-5805-10 12/10/51 10 yrs.	State of New Mexico 12½% All	R. H. Glockhoff		R. H. Glockhoff - All
41	T-23-N, R-8-W Sec. 16: NW/4 NW/4	40.00	E-6170-3 5/9/52 10 yrs.	State of New Mexico 12½% All	G. C. Monckmeier		G. C. Monckmeier - All
42	T-23-N, R-8-W Sec. 32: SW/4 NW/4, NE/4 NW/4, SW/4 NE/4	120.00	E-6170-4 5/9/52 10 yrs.	State of New Mexico 12½% All	Arthur Vandersnick		Arthur Vandersnick - All
43	T-23-N, R-8-W Sec. 36: S/2 NE/4	80.00	E-6645-1 11/17/52 10 yrs.	State of New Mexico 12½% All	J. A. Riordan		J. A. Riordan - All

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	State of New Mexico Serial No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
							/sLeo Hines - All
44	T-23-N, R-8-W Sec. 16: S/2 NE/4	80.00	E-6905 1/30/53 10 yrs.	State of New Mexico 12½% All	/sLeo Hines		
45	T-23-N, R-9-W Sec. 2: Lots 1, 2, 3, 4, S/2 N/2, NE/4 SW/4, SW/4 SW/4	404.00	E-7084 4/16/53 10 yrs.	State of New Mexico 12½% All	Wood River Oil & Refining Co., Inc.	Harold Montgomery and Florence Louise Montgomery, George Foster and Edith R. Foster, W. L. Brimhall and Zetta Brimhall, Al Greer and Fay Greer . 2.50%	Wood River Oil & Refining Co., Inc. 3/4 El Dorado Refining Company 1/4
46	T-23-N, R-8-W Sec. 36: SW/4 SE/4	40.00	E-7376 9/14/53 10 yrs.	State of New Mexico 12½% All	/sEdward M. Digneo		/sEdward M. Digneo - All

Total State Lands 3,044.00 Acres, 6.60% Percentage of Unit Area

EXHIBIT "B"

Schedule Showing the Percentage and Kind of Ownership of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
47	Indian Lands T-23-N, R-8-W Sec. 8: SW/4	160.00	I-149-Ind.-8101 ~~5/13/49~~ 12-17-51 10 yrs.	*Allot. No. 43 Heirs of Es-sun-teal: 17 Julian Sandoval 18 Dzoz-pah Sanchez 18 Nora Sanchez 19 Aht-ate-sosie Sanchez 20 Tah-ta-ya-Trujillo or Willson Trujillo 21 Ruth Francisco or Mrs. Jimmie Platero 22 Francisco Chavez 23 Santiago Chavez or Sun-de-yah-go 24 Martin Chavez R. E. Kilgore, Acting Gen. Supt. for: 25 Ushkalth-ne-yah Frank, minor 25 Gee-ele-wolth Frank, minor 25 Ushkalth-le-kath Frank, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
48	T-23-N, R-8-W Sec. 8: SW/4	160.00	I-149-Ind.-8101 ~~5/13/49~~ 12-17-51 10 yrs.	Allot. No. 44 Heirs of Es-sun-teal: 17 Julian Sandoval 18 Dzoz-pah Sanchez 18 Nora Sanchez 19 Aht-ate-sosie Sanchez 20 Tah-ta-ya-Trujillo or Wilson Trujillo 21 Ruth Francisco or Mrs. Jimmie Platero 22 Francisco Chavez 23 Santiago Chavez or Sun-de-yah-go	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd)							
48				24 Martin Chavez R. E. Kilgore, Acting Gen. Supt. for: 25 Ushkalth-ne-yah Frank, minor 25 Gee-ele-wolth Frank, minor 25 Ushkalth-le-kath Frank, minor 12½% All			
49	T-23-N, R-8-W Sec. 5: SW/4	160.00	I-149-Ind. 8101 ~~5/13/49~~ 12-17-51 10 yrs.	Allot. No. 45 Heirs of Es-sun: 17 Julian Sandoval 18 Dzoz-pah Sanchez 18 Nora Sanchez 19 Aht-até-sosie Sanchez 20 Tah-ta-ya-Trujillo or Wilson Trujillo 21 Ruth Francisco or Mrs. Jimmie Platero 22 Francisco Chavez 23 Santiago Chavez or Sun-de-yah-go 24 Martin Chavez 26 En-de-pah or Mrs. George Carcia R. E. Kilgore, Acting Gen. Supt. for: 25 Ushkalth-ne-yah Frank, minor 25 Gee-ele-wolth Frank, minor 25 Ushkalth-le-kath Frank, minor 12½% All.	Three States Natural Gas Company	None	Three States Natural Gas Company All

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
50	T-23-N, R-8-W Sec. 5: Lots 3 & 4, S/2 NW/4	161.48	I-149-Ind.-8101 ~~5/13/49~~ 12-17-51 10 yrs.	Allot. No. 91 Heirs of Te-na-yazza: 27 Ge-hon-es-pah Cayadito 28 E-yazza or Joe Norberto 29 Che-lay or Norma Augustine Nah-tah or John Norberto 30 Witth-e-yazzie or Francis Norberto 31 Es-ske-cle-pi or Levi Norberto 29 Willie Norberto 30 Ta-des-pah or Jennie Augustine 30 De-yazzie or Bessie Beyale 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
51	T-23-N, R-8-W Sec. 7: Lots 3 & 4, E/2 SW/4	159.42	I-149-Ind.-8102 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 38 32 Nah-tah-slup-pi or Frank Chevez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
52	T-23-N, R-8-W Sec. 7: Lots 1 & 2, E/2 NW/4	160.22	I-149-Ind.-8102 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 39 33 Yah-des-pah or Mrs. Frank Chevez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
53	T-23-N, R-8-W Sec. 7: NE/4	160.00	I-149-Ind.-8102 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 41 33 Sun-sup-pi 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
54	T-23-N, R-8-W Sec. 7: SE/4	160.00	I-149-Ind.-8102 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 42 Heirs of Nah-glen-nes-pah: 32 Nah-tah-slup-pi or Frank Chevez 33 Yah-des-pah or Mrs. Frank Chevez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

EXHIBIT "B"
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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
55	T-23-N, R-8-W Sec. 20: SE/4	160.00	I-149-Ind.-8103<~~5/13/49~~ 12-17-51> 10 yrs.	Allot. No. 67 Heirs of As-sun-cis-se: 34 Tah-holeen or Euska-ti-whol-leod or Joe Patrick 35 Tah-naga or E-ton-na-gah or Amos Patrick or Ernest Patrick 36 Sun-so or Arline Patrick or Mrs. Walito 37 Sonthl-ki or Ida Patrick or Mrs. Pacheco 38 Asonthl-chee or Mrs. Jesus Chavez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
56	T-23-N, R-8-W Sec. 20: SW/4	160.00	I-149-Ind.-8103 5/13/49 <12-17-51> 10 yrs.	Allot. No. 68 Heirs of Hosteen-hah-tah-le-Biga 39 Asthon-yazzie or Mrs. Klas-chee-be-da-gehe 40 Frank Valino 40-A El-ka-nas-bah or Mrs. Tom Lanel 27 Zon or Ahe-de-bah or Mrs. Frank Frank 41 George Beyale Kee Beyale 42 Yealth-hi-bah Sandoval or Nellie Griffith or Mrs. Earl Griffith 27 Ilth-hah-pah or Alice Denetso Thomas or Mrs. Leo Tomas 43 Julius Sandoval or Julian Sandoval	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

EXHIBIT "B"
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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 56				39 Marvin Denetso 41 Nah-glin-nap-pah or Esthon-de-bidy or Glin-hun-nish-bah 44 Ta-da-yah or Shorty Teller (Taylor) or Nah-ta-e-ege-wood John Teller or John Taylor or Juan Willie R. E. Kilgore, Acting Gen. Supt. for: 45 John Lope, minor 45 Atad-chee Lope, minor 45 Sam Beyale, minor 45 Frank Beyale, minor 45 Chee Lope, minor 45 Davis Lope, minor 45 Es.kee yazzie, minor 45 Alth-na-bah-Beyale, minor 45 A-jonnie Beyale, minor 45 Nee-yah or Ya-ne-yah or Jake Tomas, minor 45 Talth-or Hoska-hi-no-talth or Charlie yazzie, minor 45 Tullie or Tah-le or James Tomas, minor 12½% All			

EXHIBIT "B"
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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
57	T-23-N, R-8-W Sec. 29: NW/4	160.00	I-149-Ind.-8103 ~~5/13/49~~ 12-17-51 10 yrs.	Allot. No. 69 Heirs of Bah-et-sosa: Tah-holeen or Huska-ti-whol-leod or Joe Patrick Tah-naga or E-ton-na-gah or Amos Patrick or Ernest Patrick Sun-so or Arline Patrick or Mrs. Walito Sonthl-ke or Ida Patrick or Mrs. Pacheco Asonthl-chee or Mrs. Jesus Chavez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
58	T-23-N, R-8-W Sec. 29: NW/4	160.00	I-149-Ind.-8103 ~~5/13/49~~ 12-17-51 10 yrs.	Allot. No. 7C Hus-ka-ti-whol-leod or Tah-holeen or Joe Patrick 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
59	T-23-N, R-8-W Sec. 31: NW/4	160.00	I-149-Ind.-8104 10 yrs.	Heirs of Allot. No. 88 Ge-hon-es-pah E-yaz-sa or Joe Norberto Che-ley or Norma Augustine Nah-tah or John Norberto Witth-e-yaz-za or Francis Norberto Es-ske-cle-pi or Levi Norberto Willie Norberto Ta-dez-pah or Jennie Augustine	Skelly Oil Company	None	Skelly Oil Company All

(Cont'd)

EXHIBIT "B"

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 59				De-yazzie or Bessie Beyale 12½% All			
60	T-23N, R-8-W Sec. 31: SW/4	160.00	I-149-Ind.-8104 10 yrs.	Allot. No. 89 Zon or Mrs. Juan Lupe 12½% All	Skelly Oil Company	None	Skelly Oil Company All
61	T-23-N, R-9-W Sec. 36: SE/4	160.00	I-149-Ind.-8104 10 yrs.	Allot. No. 90 Witth-e-yazza or Francis Norberto 12½% All	Skelly Oil Company	None	Skelly Oil Company All
62	T-23-N, R-8-W Sec. 32: SE/4	160.00	I-149-Ind.-8105 10 yrs.	Allot. No. 71 Heirs of Tog-gah-es-chelo-bo-kis Na-ki-nez or Baladito Zon or Mrs. Juan Lope Joth-le or Jose Martinez Kis-bah or Mrs. Kee Harrison E-nash-o-o or Ignacio Gordo Victor Martinez Glin-dis-pah Chiquito Haska-yealth-hi-na-za Chiquito R. E. Kilgore, Acting Gen. Supt. for: Glen Chiquito Keo-ya Chiquito Kis-hop-ia Chiquito Ah-kin-is-pah Chiquito Ha-pai Chiquito Be-kek-na-pah Chiquito Bah-yazzie Chiquito 12½% All	Skelly Oil Company	None	Skelly Oil Company All

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
63	T-23-N, R-8-W Sec. 32: SW/4	~~160.00~~ 160.35	I-149-Ind.-8105 10 yrs.	Allot No. 72 Heirs of Es-sun-saz-e Zon or Mrs. Juan Lope Joth-le or Jose Martinez Kis-bah or Mrs. Kee Harrison Victor Martinez 12½% All	Skelly Oil Company	None	Skelly Oil Company All
64	T-23-N, R-9-W Sec. 2: SE/4	160.00	I-149-Ind.-8106 ~~5/13/49~~ 3-5-52 10 yrs.	Allot. No. 36 46 E-kid-des-pah or Mrs. Johnson Chavez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
65	T-23-N, R-9-W Sec. 1: SW/4	160.00	I-149-Ind.-8106 ~~5/13/49~~ 3-5-52 10 yrs.	Allot. No. 37 Heirs of Es-ska-chele-le-guthe: 46 Cle-ha-pah or Mrs. Juanita Lope or Mrs. Juan Martinez 36 Ah-ka-Napah or Ida Yazzie or Mrs. Juan Pablo 81 Ida N. Yazzie or Ada Yazzie or Mrs. Jones Yazzie 46 E-kid-des-pah or Mrs. Johnson Chavez 47 Nah-ti-yazzie or Homer Yazzie or Homer Martin 48 Tah-e-yah or Roy Valdez 49 Bittonie Yazzie 48 Sam Valdez or Sam Lope 50 Pah-ah or Bah-nuz-nup-pah or Mrs. Tony Lope or Mrs. Jim Lope	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

EXHIBIT "B"
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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest	
(Cont'd) 65				P. G. Fister, Acting Gen. Supt. for: 5/Nelson Bittoni, minor 5/Cha-has-bah Yazzie, heir 17/John Valdez 12½% All				
66	T-23-N, R-9-W Sec. 3: Lots 3 & 4, S/2 NW/4	161.77	I-149-Ind.-8107 ~~5/13/49~~ 1-24-52 10 yrs.	Allot. No. 1 Heirs of Tot-ta-ya: ~~Es-ske-et-sosa~~ or Charlie Phillip 26/Nal-la Nene or Apache 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company	All
67	T-23-N, R-9-W Sec. 4: SW/4	160.00	I-149-Ind.-8107 ~~5/13/49~~ 1-24-52 10 yrs.	Allot No. 2 5/Et-see-he or Charlie Martinez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company	All
68	T-23-N, R-9-W Sec. 4: Lots 3 & 4, S/2 NW/4	161.96	I-149-Ind.-8107 ~~5/13/49~~ 1-24-52 10 yrs.	Allot. No. 3 Heirs of Zon-nah: 41/Mrs. Ruben Martinez Do-shay yazzie Martinez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company	All
69	T-23-N, R-9-W Sec. 4: Lots 1 & 2, S/2 NE/4	161.88	I-149-Ind.-8107 ~~5/13/49~~ 1-24-52 10 yrs.	Allot. No. 4 38/Sun-suie or Mrs. Juan Martinez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company	All

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70	T-23-N, R-9-W Sec. 4: SE/4	160.00	I-149-Ind.-8107 ~~5/13/49~~ 1-24-52 10 yrs.	Allot. No. 5 Heirs of Nah-cles-to-des-pah: 38 Sun-suie or Mrs. Juan Martinez 46 Nah-glee-ha-nas-bah or Mrs. Juan Chiquito 38 Gee or Mrs. Newman Paul or Hattie Newman 50 Kalth-nip-bah or Mrs. Roy Valdez 26 Gee or Christine Chiquito 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
71	T-23-N, R-9-W Sec. 5: All Sec. 6: Lots 1 & 2, S/2 NE/4	804.54	I-149-Inc.-8108 10 yrs.		Lario Oil and Gas Company	None	Lario Oil and Gas Company All
72	T-23-N, R-9-W Sec. 8: All Sec. 9: NW/4	800.00	I-149-Ind.-8109		Lario Oil and Gas Company	None	Lario Oil and Gas Company All
73	T-23-N, R-9-W Sec. 11: SE/4	160.00	I-149-Ind.-8110 10 yrs.	Allot. No. 32 Cle-hah-pah 12½% All	Skelly Oil Company	None	Skelly Oil Company All
74	T-23-N, R-9-W Sec. 11: NE/4	160.00	I-149-Ind.-8110 10 yrs.	Allot. No. 33 Nah-ti-yazzie or Homer Yazzie 12½% All	Skelly Oil Company	None	Skelly Oil Company All

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
75	T-23-N, R-9-W Sec. 10: SE/4	160.00	I-149-Ind.-8110 10 yrs.	Allot. No. 65 Heirs of As-sun-nez: Cle-hah-pah Nah-ti-yazzie or Homer Yazzie As-sun-e-yazzie or Mrs. Big Hand Kee-nez-pah or Mrs. Julian Hosesa Tule or Nah-glee-yah-nip-pah or Mrs. Robert Estep Pah or Mrs. Victor Pena Es-sho-e or Martin Augustine Es-ske-yazzie or Juan Augustine E-nal-e-guthle or Barney Augustine Nat-ilth-nah-tah or Frank Waro Eska-ti-ele-guthle or Sam Pablo Leandro Sam Chee Yah-nun-pah or Mrs. Henry Warito Juan Pablo Pah-ah or Bah-nuz-nup-pah or Mrs. Jim Lope Ah-ka-ne-pah or Ida Yazzie or Mrs. Juan Pablo Ida Yazzie or Ada Yazzie or Mrs. Jones Yazzie E-kid-des-pah or Mrs. Johnson Chavez Tah-o-yah or Roy Valdez Sam Valdez or Sam Lope	Skelly Oil Company	None	Skelly Oil Company All

(Cont'd)

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 75				John Valdez or John Lope Bitonni Yazzie Clin-dez-pah or Mrs. Sanchez Jesus E-nele-wood or Santiago Platero, Jr. Yealth-hos-wood or John Platero Tony Platero or Andy Platero Yealth-das-bah or Lena Tochedina Ya-daz-bah or Minnie Platero Yealth-nee-ne-yah or Joe Platero Haska-ye-chi-si-zi or Robert Platero Harry Yazzie Willie Yazzie Alfred Yazzie R. E. Kilgore, Acting Gen. Supt. for: Thomas Yazzie, minor Billie Yazzie, minor Da-hoz-bah Yazzie or Nellie Ann Yazzie, minor Chi-has-bah Yazzie, minor Nelson Bitonni Yazzie, minor George Platero, minor Eva Platero, minor Katie Platero, minor Stella Platero, minor		

(Cont'd)

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 75				Andy Platero, minor Ruth Platero Leandro Sam 12½% All			
76	T-23-N, R-9-W Sec. 11: SW/4	160.00	I-149-Ind.-8110 10 yrs.	Allot. No. 66 Pah-ah or Bah-nuz-nup-pah or Mrs. Jim Lope 12½% All	Skelly Oil Company	None	Skelly Oil Company All
77	T-23-N, R-9-W Sec. 12: SE/4	160.00	I-149-Ind.-8111 ~~5/13/49~~ 12-11-51 10 yrs.	Allot. No. 27 53 Ah-des-pi-ah or Martha 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
78	T-23-N, R-9-W Sec. 12: SW/4	160.00	I-149-Ind.-8111 ~~5/13/49~~ 12-11-51 10 yrs.	Allot. No. 34 36 Ah-ka-ne-pah or Mrs. Juan Pablo 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
79	T-23-N, R-9-W Sec. 12: NW/4	160.00	I-149-Ind.-8111 ~~5/13/49~~ 12-11-51 10 yrs.	Allot. No. 35 48 Tah-e-yah or Roy Valdez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
80	T-23-N, R-9-W Sec. 12: NE/4	160.00	I-149-Ind.-8111 ~~5/13/49~~ 12-11-51 10 yrs.	Allot. No. 40 22 Sosa or Hosten Nez or Trujillo Chavez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company

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EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
81	T-23-N, R-9-W Sec. 13: NE/4	160.00	I-149-Ind.-8112<~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 25 54 Nah-don-e-pah or Roy Newton 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
82	T-23-N, R-9-W Sec. 13: SE/4	160.00	I-149-Ind.-8112<~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 26 55 Hun-nop-pi 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
83	T-23-N, R-9-W Sec. 13: NW/4	160.00	I-149-Ind.-8112<~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 30 Heirs of Es-ska-hop-pah: 48 Sam Valdez or Sam Lope 37 John Valdez or John Lope 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
84	T-23-N, R-9-W Sec. 13: SW/4	160.00	I-149-Ind.-8112<~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 31 Heirs of Es-kil-pah-e: 46 Cle-ha-pah or Mrs. Juanita Lope or Mrs. Juan Martinez or Mrs. Trujillo Chavez 36 Ah-ka-napah or Ida Yazzie or Mrs. Juan Pablo 31 Ida Yazzie or Ada Yazzie or Mrs. Jones Yazzie 46 E-kid-des-pah or Mrs. Johnson Chavez 47 Nah-ti-yazzie or Homer Martinez or Homer Yazzie 48 Tah-e-yah or Roy Valdez 44 Bittioni Yazzie 48 Sam Valdez or Sam Lope 50 Pah-ah or Bah-nuz-nup-pah or Mrs. Tony Lope or Mrs. Jim Lope	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 84				.5/John Valdez P. G. Fister, Acting Gen. Supt. for: .5/Nelson Bittoni, minor .5/Cha-has-bah Yazzie, minor 12½% All			
85	T-23-N, R-9-W Sec. 14: NE/4	160.00	I-149-Ind.-8113<~~5/13/49~~ 3-11-5>✓ 10 yrs.	Allot. No. 28 Heirs of Be-tog-gah-et-sosa: Es-ska-chele-le-guthe or Willeto Jesus (Deceased) .50/Pablito Lope .50/Alfredo Lope or Fred Martinez .46/Cle-ha-pah or Mrs. Juanito Lope or Mrs. Juan Martinez or Mrs. Trujillo Chavez .36/Ah-ka-na-pah or Ida Yazzie or Mrs. Juan Pablo .31/Ida N. Yazzie or Ada Yazzie or Mrs. Jones Yazzie .46/E-kid-des-pah or Mrs. Johnson Chavez .47/Nah-ti-yazzie or Homer Martinez or Homer Yazzie .48/Tah-e-yah or Roy Valdez .47/Ta-be-mah .45/Nah-ti-be-ka-claw or Juan Guerito .53/Henry Willito or Keelth Chee or Henry Jesus or Henry Guerito	Three States Natural Gas Company	None	Three States Natural Gas Company All
(Cont'd)							

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 85				56 Art or Arch Warito 57 Choh or Mrs. Agapito Atencia or Mrs. Blue Sheep 53 Pay-shay or Mrs. Joe Yazzie Nah-don-e-pah or Roy Newton 55 Hun-nip-pi or Mrs. Lindy Chavez 53 Ah-de-pi or Martha Charley 58 Big Hand Cecil Big Hand 37 Doris Big Hand 48 Es-sken-nez-pah or May Antonio 54 Ka-nip-pah or Mrs. Paul Nez or Myra A. Bitanny 34 Ilth-nip-pah or Lou Ellen Antonio 32 Tony Lope 44 Bitonni Yazzie 50 Pah-ah or Bah-nuz-nup-pah or Mrs. Jim Lope or Mrs. Tony Lope 48 Sam Valdez or Sam Lope 37 John Valdez or John Lope Gen. Supt. for: (unsigned) Ah-kay-ah-de Big Hand, minor 51 Nelson Bitonni Yazzie, minor 51 Cha-has-bah Yazzie, minor 12½% All		

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
86	T-23-N, R-9-W Sec. 14: SE/4	160.00	I-149-Ind.-8113<~~5/13/40~~ 3-11-52 10 yrs.	Allot. No. 29 Heirs of Et-sun-soie: 46 Cle-ha-pah or Mrs. Juanita Lope or Mrs. Juan Martinez or Mrs. Trujillo Chavez 34 Ah-ka-na-pah or Ida Yazzie or Mrs. Juan Pablo 31 Ida N. Yazzie or Ada Yazzie or Mrs. Jones Yazzie 46 E-kid-des-pah or Mrs. Johnson Chavez 47 Nah-ti-yazzie or Homer Martinez or Homer Yazzie 48 Tah-e-yah or Roy Valdez 49 Bitonni Yazzie 50 Pah-ah or Bah-nuz-nup-pah or Mrs. Jim Lope or Mrs. Tony Lope 48 Sam Valdez or Sam Lope 37 John Valdez or John Lope Gen. Supt. for: (unsigned) 51 Nelson Bitonni Yazzie 51 Cha-has-bah Yazzie 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

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of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
87	T-23-N, R-9-W Sec. 14: NW/4	160.00	I-149-Ind.-8113 ~~5/13/49~~ 3-11-52 10 yrs.	Allot. No. 46 Heirs of Navajo Jim: 18 Es-ska-ti-ele-guthle or Sam Pablo 47 Julian Becenti 40A Nas-ne-bah Becenti or Mrs. Charlie Jose 6 Jack Becenti 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
88	T-23-N, R-9-W Sec. 14: SW/4	160.00	I-149-Ind.-8113 ~~5/13/49~~ 3-11-52 10 yrs.	Allot. No. 47 Heirs of Pah (Yah-de-pah): 18 Es-ska-ti-ele-guthle or Sam Pablo Juan Pablo Leandro Sam 23 Yah-nun-pah or Mrs. Henry Warito 44 Chee or Mrs. Charlie Sala 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
89	T-23-N, R-9-W Sec. 15: NE/4	160.00	I-149-Ind.-8114 5/13/49 12-13-51 10 yrs.	Allot. No. 48 47 Clen-e-yaz or Mrs. Sam Commanche 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
90	T-23-N, R-9-W Sec. 15: SE/4	160.00	I-149-Ind.-8114 5/13/49 12-13-51 10 yrs.	Allot. No. 49 18 Es-ska-ti-ele-guthle or Sam Pablo 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

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of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
91	T-23-N, R-9-W Sec. 17: NW/4	160.00	I-149-Ind.-8115 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 20 Heirs of Not-ti-thle-la-ka or Whan: 67 Sun-sup-pi or Juanita Augustine 38 Chee or Filipe Commanche 47 Davis Augustine 60 Juan Martinez 63 Kee Augustine 41 Bitonni Yazzie or Woody 20 Mrs. Juan Augustine, Jr. or Mrs. Kee Harrison or Mrs. Kee Tso Lilly Woody or Lilly Domingo 53 Herbert Woody or John Y. Woody 54 Hushkas-tea Woody or Paul Woody R. E. Kilgore, Acting Gen. Supt. for: 25 Keelth Chee Augustine, minor 25 Hushkalth-n-deetsah or Zah-he Woody or Jones Woody or Jones Yazzie, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
92	T-23-N, R-9-W Sec. 17: SW/4	160.00	I-149-Ind.-8115 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 21 67 Sun-sup-pi or Juanita Augustine 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
93	T-23-N, R-9-W Sec. 18: Lots 1 & 2, E/2 NW/4	159.78	I-149-Ind.-8116<~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 23 33 As-sun-e-yazza or Mrs. Big Hand 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
94	T-23-N, R-9-W Sec. 18: Lots 3 & 4, E/2 SW/4	159.57	I-149-Ind.-8116<~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 24 Heirs of E-ton-e-pah: 58 Big Hand Cecil Big Hand 3 Doris Big Hand R. E. Kilgore, Acting Gen. Supt. for: Ah-kayahde Big Hand, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
95	T-23-N, R-9-W Sec. 20: SW/4	160.00	I-149-Ind.-8117<~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 16 Huska-tah-eleguth or Whan or Ivan Lope 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
96	T-23-N, R-9-W Sec. 20: SE/4	160.00	I-149-Ind.-8117<~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 19 Heirs of Kle-he or Esther Curtis or Mrs. Charles Curtis: 19 Sam White 28 Donald Elmer Curtis 34 Harold Curtis Verne Curtis R. E. Kilgore, Acting Gen. Supt. for: 51 Bertha May Curtis, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
97	T-23-N, R-9-W Sec. 20: NW/4	160.00	I-149-Ind.-8117 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 22 Heirs of Eska-tod-des-wood or Juan Augustine: 2. Ta-chee-ne-tsosie Be Esthon or Mrs. Kee Harrison 40A Dave Enacio or Davis Ignacio 63 Kee Augustine R. E. Kilgore, Acting Gen. Supt. for: 25 Keelth Chee Augustine or Paddy Augustine, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
98	T-23-N, R-9-W Sec. 21: SW/4	160.00	I-149-Ind.-8118 10 yrs.	Allot. No. 61 Heirs of Nah-ti-sa-zine or Mose Morgan: Frank Waro or Nat-ilth-nat-tath 12½% All	Skelly Oil Company	None	Skelly Oil Company All
99	T-23-N, R-9-W Sec. 21: NW/4	160.00	I-149-Ind.-8118 10 yrs.	Allot. No. 62 Es-ske-yazzie or Juan Augustine 12½% All	Skelly Oil Company	None	Skelly Oil Company All

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
100	T-23-N, R-9-W Sec. 21: SE/4	160.00	I-149-Ind.-8118 10 yrs.	Allot. No. 63 E-nahl-e-guthle or or Barney Augustine 12½% All	Skelly Oil Company	None	Skelly Oil Company All
101	T-23-N, R-9-W Sec. 21: NE/4	160.00 160.00	I-149-Ind.-8118 10 yrs.	Allot. No. 64 Heirs of Es-ske-pah: Tule or Nah-glee-yah-nip-pah or Mrs. Robert Estep Kee-naz-pah or Mrs. Julian Hosesa Pah or Mrs. Victor Pena Es-sko-e or Martin Augustine Juan Pablo Leandro Sam Sam Pablo or Eska-ti-ele-guthle Yah-nun-pah or Mrs. Henry Warito Chee Glin-yelth-e-bah or Glin-he-pah Frank Waro or Nat-ilth-nat-tath Es-ske-yazzie or Juan Augustine E-nahl-e-guthle or Barney Augustine R. E. Kilgore, Acting Gen. Supt. for: Hoska-yilth-ni-de-zah 12½% All	Skelly Oil Company	None	Skelly Oil Company All

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of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
102	T-23-N, R-9-W Sec. 22: NE/4	160.00	I-149-Ind.-8119 5/13/49 10 yrs.	Allot. No. 57 Heirs of My-you-agustine or My-yau-a-gustine: Glin-yelth E-bah or Glin-he-pah 46 Frank Waro or Nat-ilth-nah-tah 64 Tale or Nah-glee-yah-nip-pah or Mrs. Robert Estep 18 Es-sho-e or Martin Augustine 44 Es-ske-yazza or Juan Augustine 44 E-nahl-e-guthle or Barney Augustine 64 Pah or Mrs. Victor Pena R. E. Kilgore, Acting Gen. Supt. for: 15 Haska-yilth-ni-de-zah, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
103	T-23-N, R-9-W Sec. 22: SE/4	160.00	I-149-Ind.-8119 5/13/49 10 yrs.	Allot. No. 58 Heirs of Es-sun-et-clod: Glin-yelth E-bah or Glin-he-pah 46 Frank Waro or Nat-ilth-nah-tah 64 Tale or Nah-glee-yah-nip-pah or Mrs. Robert Estep 18 Es-sho-e or Martin Augustine	Three States Natural Gas Company	None	Three States Natural Gas Company All

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EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 103				44 Es-ske-yazza or Juan Augustine 44 E-nahl-e-guthle or Barney Augustine 44 Pah or Mrs. Victor Pena Juan Pablo Kee-Naz-pah or Mrs. Julian Hosesa Leandro Sam 23 Yah-nun-pah or Mrs. Henry Warito Chee R. E. Kilgore, Acting Gen. Supt. for: 25 Haska-yilth-ni-de-zah, minor 12½% All			
104	T-23-N, R-9-W Sec. 22: NW/4	160.00	I-149-Ind.-8119 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 59 64 Tale or Nah-glee-yah-nip-pah or Mrs. Robert Estep 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
105	T-23-N, R-9-W Sec. 22: SW/4	160.00	I-149-Ind.-8119 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 60 18 Es-sho-e or Martin Augustine 18 Eska-ti-ele-guthle or Sam Pablo 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

EXHIBIT "B"
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106	T-23-N, R-9-W Sec. 23: NW/4	160.00	I-149-Ind.-8120 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 50 Heirs of Nut-cla: 60 Kin-noz-bah or Es-nus-pah 61 Has-bah or Mrs. Juan Martinez 3 Bahie or Julian Hosesa, Jr. 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
107	T-23-N, R-9-W Sec. 23: NE/4	160.00	I-149-Ind.-8120 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 51 60 Es-nus-pah 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
108	T-23-N, R-9-W Sec. 23: SE/4	160.00	I-149-Ind.-8120 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 52 43 Es-pah 12½% All	Three States Natural Gas. Company	None	Three States Natural Gas Company All
109	T-23-N, R-9-W Sec. 23: SW/4	160.00	I-149-Ind.-8120 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 53 Heirs of Biz-de-pah: 60 Kin-noz-bah or Es-nus-pah 61 Has-bah or Mrs. Juan Martinez 3 Bahie or Julian Hosesa, Jr. 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
110	T-23-N, R-9-W Sec. 29: NW/4	160.00	I-149-Ind.-8121 ~~5/13/49~~ 5-17-51 10 yrs.	Allot. No. 17 Heirs of Es-sun-so: Juan Lope or Hoska-ti-ele-guth 55 El-des-pah or Bish-ne-pah or Mrs. Sam Wilson 17 Sam White 28 Donald Elmer Curtis 34 Harold Curtis Verne Curtis	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 110				21 Bish-day-pah or Ruth Bittoni or Mrs. Hoke Chisey 62 Nah-glee-hah-nus-pah or Mrs. Charlie Thin 63 Kiz-bah or Mrs. Willie Jim 62 Glinth des-bah-Lope R. E. Kilgore, Acting Gen. Supt. for: 51 Bertha May Curtis 12½% All		
111	T-23-N, R-9-W Sec. 29: NE/4	160.00	I-149-Ind.-8121 ~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 18 35 El-des-pah or Bish-ne-pah or Mrs. Sam Wilson 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
112	T-23-N, R-9-W Sec. 29: SW/4	160.00	I-149-Ind.-8121 ~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 54 33 Uska-nap-pah or Us-ska-nap-pah or Hosteen Nez Begay 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
113	T-23-N, R-9-W Sec. 29: SE/4	160.00	I-149-Ind.-8121 ~~5/13/49~~ 3-17-52 10 yrs.	Allot. No. 242 Heirs of Hostein Cly: 40 Es-ska go-des-wood or Ben Edway Nus-pah or Mary Smith Binalli 17 Samuel Sandoval Merrill Sandoval 56 Roger Sandoval 22 Beth Lope or Mrs. Oscar Candelario	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

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Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 113				George Lope 22 Bessie Lope Andrew Lope 14 John Tsosie 63 Andy Tsosie Willie Francisco (Deceased) 31 Stella Tsosie 56 Dan Hooley Cly 65 Hoska-o-go-nele-wood or Francis Padilla 40 Hah-tah or Frank Padilla 63 Es-hol-e-wood or Joe Yazzie Joe Charlie Fred Yazzie Norman Yazzie 24 Frank Collins Edward Collins 24 Lewis Collins 66 Des-ah or Mrs. Martin Chavez 49 Nay-hes-bah Atencia or Mrs. Klahs Chee Tsosie 20 Naz-bahe or Mrs. Charlie Padilla 27 Deafy or Denet Suie Badonni 34 Bert Atencia 34 Pablo Cly 21 Hoska-to-day-yah or Jack Smith 21 Trujillo Francisco		

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(Cont'd) 113				R. E. Kilgore, Acting Gen. Supt. for: Beulah Sandoval, minor; Vincent Wayne Tofoya, minor; Lolippa Cachucha, minor 12½% All			
114	T-23-N, R-9-W Sec. 31: NE/4	160.00	I-149-Ind.-8122 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 55 Heirs of Pi-yazza: Esthon Chee or Mrs. Santiago Platero or Ne-nola 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
115	T-23-N, R-9-W Sec. 32: NW/4	160.00	I-149-Ind.-8122 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 56 Heirs of Es-kid-des-pah: Esthon Chee or Mrs. Santiago Platero or Ne-nola 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
116	T-23-N, R-9-W Sec. 32: SW/4	160.00	I-149-Ind.-8122 ~~5/13/49~~ 12-13-51 10 yrs.	Allot. No. 247 Heirs of Es-ske-yazzie: Naz-bahe or Mrs. Charlie Padilla 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

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of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
117	T-23-N, R-9-W Sec. 32: NE/4	160.00	I-149-Ind.-8123 ~~5/13/49~~ 1-22-52 10 yrs.	Allot. No. 243 Heirs of As-sned-des-sah: 34 Pablo Cly 56 Dan Hooley Cly 21 Hoska-to-day-yah or Jack Smith 40 Es-ska-ge-des-wood or Ben Edway Nus-pah or Mary Smith Binalli 19 Samuel Sandoval Merril Sandoval 56 Roger Sandoval 27 Beth Lope or Mrs. Oscar Candelario 22 Bessie Lope George Lope Andrew Lope 54 John Tsosie 63 Andy Tsosie Willie Francisco (deceased) 31 Stella Tsosie 47 Hoska-e-ge-nele-wood or Francis Padilla 49 Nah-tah or Frank Padilla 63 Es-he-e-wood or Joe Yazzie Joe Charlie Fred Yazzie Norman Yazzie 24 Frank Collins Edward Collins 24 Lewis Collins 66 Dis-pah or Mrs. Martin Chavez 39 Nay-kes-bah Atencia or Mrs. Klahs Chee Tsosie	Three States Natural Gas Company	None	Three States Natural Gas Company All

(Cont'd)

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
(Cont'd) 117				2/ Naz-bahe or Mrs. Charlie Padilla 2/ Deafy or Denet Suie Badonni 3/ Bert Atencia R. E. Kilgore, Acting Gen. Supt. for: 5/ Beulah Sandoval, minor 5/ Lolippa Cachucha, minor 5/ Vincent Wayne Tofoya, minor 2/ Trujillo Francisco 12½% All		
118	T-23-N, R-9-W Sec. 33: NW/4	160.00	I-149-Ind.-8123<~~5/13/49~~ /-27-52> 10 yrs.	Allot. No. 244 Heirs of Es-nah-pah: 3/ Nay-kes-bah Atencia or Mrs. Klahs Chee Tsosie 2/ Naz-bahe or Mrs. Charlie Padilla 2/ Deafy or Denet Suie Badonni 3/ Bert Atencia 3/ Rafael Atencia R. E. Kilgore, Acting Gen. Supt. for: 5/ Lolippa Cachucha, minor 5/ Vincent Wayne Tofoya, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest
119	T-23-N, R-9-W Sec. 33: SW/4	160.00	I-149-Ind.8123 ~~5/13/49~~ 1-22-52 10 yrs.	Allot. No. 245 Heirs of Es-skin-pah: 27 Deafy or Denet Suie Badonni 39 Bert Atencia R. E. Kilgore, Acting Gen. Supt. for: 5 Lolippa Cachucha, minor 5 Vincent Wayne Tofoya, minor 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
120	T-23-N, R-9-W Sec. 32: SE/4	160.00	I-149-Ind.-8123 ~~5/13/49~~ 1-22-52 10 yrs.	Allot. No. 246 66 Dis-pah or Mrs. Martin Chavez 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
121	T-23-N, R-9-W Sec. 31: E/2 NW/4, ~~SW/4 SW/4~~ 10+, E/2 SW/4, SE/4	~~360.00~~ 359.74	I-149-Ind.08124 ~~5/13/49~~ 8-21-52 10 yrs.	47 Navajo Tribe of Indians 12½% All	Three States Natural Gas Company	None	Three States Natural Gas Company All
122	T-23-N, R-8-W Sec. 1: Lots 1,2, S/2 NE/4 Sec. 25: W/2, SE/4 Sec. 26: E/2, SW/4 Sec. 27: S/2 Sec. 28: S/2 Sec. 33: NW/4, E/2 Sec. 36: W/2	2560.16	Unleased	Navajo Indian Alottees 12½% All			

Total Indian Lands 16,050.78 Acres, 34.81% Percentage of Unit Area

EXHIBIT "B"
Schedule Showing the Percentage and Kind of Ownership
of Oil and Gas Interest in All Lands in the Chaco Unit Agreement

Tract No.	Description	No. of Acres	Indian Contract No. Lease Date and Term	Land Owner Percentage of Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and Percentage	Working Interest Owner Under Option Agreement, Operating Agreement or Assignment and Percentage of Interest

R E C A P I T U L A T I O N

Land	Acres in Unit	Percentage of Unit Area
Federal	~~27,021.83~~ 27022.83	58.59%
State	3,044.00	6.60%
Indian	~~16,050.78~~ 16052.60	34.81%
TOTAL OF UNIT AREA	~~46,116.61~~ 46,119.43	100.00%

HISTORY OF OIL OR GAS WELL.

U Chase Unit #444

The Chase Unit #1 was spudded March 10, 1955 and 10-3/4" casing was set @ 206' with 200 sacks.

The well was drilled to 5830' with a 9" bit with tests, coring, etc. as follows:

March 15, 1955 - Ran Schlumberger to 3800'.

Core #1: 4560-5612. Rec. 52' dark gray shale with calcareous streaks.

Core #2: 4652-4705. Rec. 53' shaley sand and shale - saturated.

Core #3: 4705-4757. Rec. 53' shaley sand and shale - saturated.

D. S. T. #1: 4641-4757. Open 1½ hours, weak blow air immediately, died 26 minutes. Recovered 145' drilling mud. No show. Flow Pressure - 0, Shut-in - 0 in 30 minutes, Hydrostatic - 2325. 3-22-55 - Tocito Formation.

Core #4: 4757-4807. Rec. 50' sand with shale partings. Top 12' saturated.

Core #5: 4807-4819. Rec. 12' sandstone with shale partings. No show.

D. S. T. #2 and 3: Failed. 3-24-55 and 3-25-55

D. S. T. #4: 4756-4819. Open 1 hour, very weak blow air immediately, decreased and died in 14 minutes. Recovered 5' very slightly oil cut mud. Flow Pressure - 0, Shut-In - 0 in 30 minutes. Hydrostatic - 4050. 3-26-55. Tocito Formation.

Average Oil Saturation - 19.0%
Average Water Saturation - 49.0%
Average Porosity - 13.0 %
Average Permeability - 0

D. S. T. #5: 5524-5830. Open 1 hour, strong blow air immediately, decreased in 35 minutes to weak and remained weak. Recovered 4006' fluid; top 240' mud, 3766' water. Flow Pressure - 360-1960. Shut-In - 2400 in 30 minutes. Hydrostatic - 2960. 4-2-55. Dakota Formation.

The well was plugged back and casing run as follows:

April 2, 1955 - 170 sacks from 5830' to 5450'.
90 sacks from 4950' to 4750.
April 4, 1955 - Plug dressed down to 4770' R. M.
April 5, 1955 - 4609' - 5-1/2" - 15.5# J-55 casing set @ 4619' with 275 sacks.
April 7, 1955 - Drilled shoe and displaced mud with water.

Thr rotary rig was released and a cable tool rig was moved in April 13, 1955 and the well treated as follows:

The hole was swabbed and bailed dry and in a three hour test no fluid was recovered. No oil was recovered by bailing or swabbing.

The well was shot with 270 quarts SNG from 4760' to 4653' (Gr.) with a 14' gravel tamp April 16, 1955. The hole was not loaded. The shot collapsed the bottom joint of casing.

The bottom joint of casing was drilled up or out and the hole cleaned out to 4760' with a sand pump. There was a show of oil but production could not be determined using the sand pump. The open hole sluffed and bridged frequently.

500 gallons of mud acid was dumped in the well May 2, 1955 and the casing was swabbed. Five or six barrels of oil was recovered and and the acid water was pumped out with the sand pump. Another 500 gallons of mud acid was dumped in the well May 3, 1955 and this treatment seemed to "block" the formation. Acid water and only a trace of oil were recovered by swabbing and pumping.

The water was pumped down using the sand pump and the well showed signs of making water. While running the pump the hole bridged at 4725' and did not show any water above the bridge.

The well was sand-frac'ed down the casing with the bridge at 4725' May 4, 1955 with 476 barrels of crude and 33,000# of sand. Total fluid used was 906 barrels. Break-down pressure was 1900 psi, average injection 28 barrels per minute @ 1650 psi, shut-down pressure 1000 psi, 780 psi on well after 16 hours. Well flowed back 164 barrels in 12 hours and died.

The rig was released May 11, 1955 after 679 barrels of fluid had been recovered. The well was swabbing four barrels per hour through 2" tubing.

The well was put on pump May 17, 1955 and the load oil was recovered May 23, 1955. The well was pumping three barrels per hour with a G. O. R. of 1106 to 1 at this time.

The production declined to 30 barrels per day by June 6 and to 18 barrels per day by July 6, 1955.

A reverse circulation rig was moved on the well July 8, 1955 and the hole was cleaned out from 4712' to 4760' using oil. The formation took oil while cleaning out and 701 barrels were put in the well to clean out to bottom. The hole sluffed and bridged several times. A sand pump was also used.

The well was put to pumping again July 27, 1955and the load oil had been recovered by August 7, 1955.

Cleaning the well out did not increase the production any and the production was down to about 16 barrels September 1, 1955 and by October 1, 1955 was down to 12 barrels per day with 3% water and a G. O. R. of 275 cubic feet per barrel.

JAN 12 1953

BEFORE THE

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

CASE 444: Three States Natural Gas Company's application for approval of Chaco Unit Area embracing 45, 998,49 acres of land in San Juan County: Township 23 N, Ranges 8 and 9 W.

TRANSCRIPT OF HEARING

December 16, 1952

BEFORE: Hon. Ed. Mechem, Governor and Chairman
Hon. Guy Shepard, Land Commissioner and Member
Hon. R. R. Spurrier, Director and Member

STATE OF NEW MEXICO

ss

COUNTY OF BERNALILLO

I HEREBY CERTIFY That the within transcript of hearing in the above styled case before the Oil Conservation Commission of the State of New Mexico is a true record of the same to the best of my knowledge, skill and ability.

DONE at Albuquerque, New Mexico, December 20, 1952.

E. E. Greeson

E. E. Greeson
Reporter

MR. SPURRIER: The next case on the docket is No. 444.

(Mr. Graham reads the notice of publication.)

MR. WEBB: My name is William G. Webb, Mr. Chairman, representing the Three States Natural.

The application of Three States Natural concerns the unit development and operation of the Chaco Unit Area comprising all of Townships 23, Ranges 8 and 9, San Juan County, comprising approximately 45,998 acres. At the present time approximately ninety percent of this area has been committed to the unit. Most of it verbal. The plan of development calls for two test wells to be drilled by the unit operator, El Paso Natural Gas, one in Township 23-8 and one in Township 23-9, of sufficient depth to test the Dakota formation expected to be encountered at about 6500 feet. The contended rate of development will be at intervals of six months following initial completion of the producing well and at six month intervals thereafter.

45,998
- 3,204
42,794

2b The balance of the unit agreement is in the standard form which has been approved many times by this body and contains -- and other than those particular details, no deviation has been taken from the standard form.

There are approximately 3,204 acres of state land involved. No privately owned land is involved. 3,204 acres comprising 6.98 percent of the total unit area. Approximate-

ly seventy-five percent of this has been committed to the unit.

I would like to ask Mr. Foster Morrell a few questions. I believe he has been qualified before and we won't go into that.

FOSTER MORRELL,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WEBB:

Q State your name, please, sir.

A Foster Morrell.

Q Are you familiar with the Chaco Unit Plan of Development and Operation?

A I am.

Q Is it your opinion this plan of development will promote the development of the resources of the State of New Mexico and prevent waste and serve to conserve these resources?

A It is my opinion it will do so.

Q Are you familiar with the applicant's form of unit plan of development and operation of the Chaco Unit Area?

A I am.

Q Are there any particulars other than those I have

already stated, particular details, which you would wish to point out to the Commission?

A The Unit Area for theChaco Unit is based on the township method of unitization similar to those heretofore applied for by Phillips Petroleum Company and the El Paso Natural Gas in the San Juan Basin. But by virtue of the absence of satisfactory geological evidence, it is impossible to establish a unit area otherwise.

Q It is then your opinion that this unit agreement will serve to promote conservation and conserve the oil and gas in this area?

A It will.

MR. WEBB: Are there any further questions?

MR. SPURRIER: Are there any questions of the witness?

MR. GRAHAM: Have you cleared this through the Land Office, Mr. Webb?

MR. WEBB: It has been to my knowledge, it has been approved.

THE WITNESS: And it has been approved as to form by the Director of the United States Geological Survey.

MR. SPURRIER: Any further questions? If not, the witness may be excused.

Is there any further comment in this case?

MR. WEBB: We respectfully move the adoption of

TURNER, WHITE, ATWOOD, McLANE AND FRANCIS

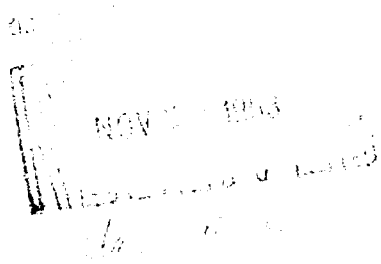
ATTORNEYS AND COUNSELORS AT LAW

J. GLENN TURNER
W. O. WHITE
FELIX ATWOOD
ALFRED E. McLANE
EDWARD L. FRANCIS
JAMES B. FRANCIS
JULIAN M. MEER
TREVOR REES-JONES
HARRY S. WELCH
THOS. R. HARTNETT III
H. L. HITCHINS JR.
WILLIAM L. McINERNEY
WILLIAM G. WEBB
LEWIS CHANDLER
SNOWDEN M. LEFTWICH, JR.
WILLIAM C. HERNDON, JR.

12TH FLOOR MERCANTILE BANK BUILDING

DALLAS 1, TEXAS

October 29, 1953



Mr. E. S. Walker
Commissioner of Public Lands
State Land Office
Santa Fe, New Mexico

Re: Chaco Unit Agreement
San Juan County, New Mexico
Your Case Number 444

Dear Mr. Walker:

This will acknowledge receipt of your letter dated October 28, 1953 requesting an executed copy of the above Unit Agreement. The above Unit Agreement has not, as of this date, been finally executed by the parties owning interests in the Chaco Unit Area and, therefore, same has not been filed for final approval by the U. S. Geological Survey.

As you will recall, this Unit Area was initially formed over a year ago and, due to various delays encountered by the Unit Operator, he has only recently decided to go forward with the unitization of this area. When this Unit Agreement has been finally executed and filed with the U. S. Geological Survey in Washington, D. C. for the Survey's final approval, we will, of course, furnish an executed copy of the approved Agreement for your files.

Yours very truly,

TURNER, WHITE, ATWOOD, McLANE
and FRANCIS

By William G. Webb
William G. Webb

WGW:mch
cc - Oil Conservation Commission
Mr. R. E. Anderson
Mr. Bob Slay

June 4, 1953

El Paso Natural Gas Company
P.O. Box 1492
El Paso, Texas

Re: Chaco Unit Agreement,
San Juan County, New Mexico
Case Number 444
Order R-240

COPY

Gentlemen:

Our records reveal that the Chaco Unit Agreement has been approved by the Oil Conservation Commission.

Please forward a copy of the Oil Conservation Commission Order to this office together with the proper ratifications and joinders. Upon receipt of these instruments we will proceed to post our leases and tract books accordingly.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

cc: U. S. Geological Survey
Roswell, New Mexico (3)
Oil Conservation Commission
Santa Fe, New Mexico (1)

COPY

OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO
JAN 16 1953
RECEIVED

January 14, 1953

Turner, Atwood, White, Mullens and Hannal
Attorneys and Counselors at Law
Suite 1711 Oreandle Home Building
Dallas 1, Texas

Re: Chaco Unit Agreement
San Juan County, New Mexico

Gentlemen:

I have examined the proposed form of the Chaco Unit Agreement in San Juan County, New Mexico. It appears that this proposal form is substantially the form of agreement heretofore approved by me for others.

I am withholding approval of this application pending the ring of the bells before the Oil Conservation Commission of New Mexico and the evidence adduced at that time in support of the agreement.

Very truly yours,

E. S. Walker
Commissioner of Public Lands

cc: U.S. Geological Survey
Oil Conservation Commission ✓

encls.

et

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

January 21, 1953

C

O

P

Y

Mr. William G. Webb
Turner, Atwood, White, McLane and Francis
DALLAS 1 - TEXAS

Dear Sir:

We enclose two signed copies of Order R-240 issued by the Commission in Case 444 in which you represented Three States Natural Gas Company before the Commission.

Very truly yours,

R. R. Spurrier

RRS:nr

Specify Nekoosa BOND MADE IN U.S.A.

RRS::

Have discussed this unit area with Emery Arnold and Canfield and Anderson of USGS. They have informed me that there has already been one Dakota Well drilled within this unit area and that under the proposed unit plan they are required to drill two Dakota tests, one in each township, the first well to start 3 months after approval of the unit and the second well to start within 6 months after the completion of the first well. Emery Arnold says that they have a fair shot for Pictured Cliff production and also a shot at Tocito Oil Production in the area. Under the terms of the unit they must drill to the Dakota regradless of the development of shallow production in any other zone. Since there is a preponderance of Federal acreage involved, (93.02%) and the USGS is satisfied with it I don't see any further reason to delay approval.

WBM

THIS IS NEKOOSA BOND CANARY SUBSTANCE 20

Memo

From

WILLIAM B. MACEY
Chief Engineer

To RRS

This unit is very large and the plan of drilling to discovery calls for one well to the Dakota (8000') within 6 months and one every 6 Months until discovery. Even though this area is "Wild" I don't believe that it ise enough development and perhaps we ought to contact Emery Arnold on the possibilities of production and hold up on the signature pending a further investigation of the plan of development.

OK- Okay KS

WBM

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 444
ORDER No. R-240

THE APPLICATION OF THREE STATES
NATURAL GAS COMPANY FOR AN ORDER
APPROVING A PROPOSED UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE CHACO UNIT AREA CONSISTING OF
45,998.49 ACRES SITUATED IN TOWNSHIP 23
NORTH, RANGES 8 AND 9 WEST, NMPM,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. December 16, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 16th day of January, 1953, the Commission having before it for consideration the testimony adduced at the hearing of said case and being fully advised in the premises,

FINDS:

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

(2) That the proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

That the order herein shall be known as the:

"CHACO UNIT AGREEMENT ORDER"

SECTION 1. (a) That the project herein shall be known as the Chaco Unit Agreement and shall hereafter be referred to as the "Project."

(b) That the plan by which the Project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Chaco Unit Area referred to in the Petitioner's petition and filed with said petition and such plan shall be known as the Chaco Unit Agreement Plan.

SECTION 2. That the Chaco Unit Agreement shall be, and is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval of said agreement shall not be considered as waiving or relinquishing in any manner any rights, duties, or obligations

which are now or may hereafter be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Chaco Unit Agreement or relative to the production of oil or gas therefrom.

SECTION 3. (a) That the Unit Area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

Township 23 North, Range 8 West
All of Sections 1 thru 36, inclusive

Township 23 North, Range 9 West
All of Sections 1 thru 36, inclusive

Containing 45,998.49 acres of land, more or less.

(b) The Unit Area may be enlarged or contracted as provided in said Plan.

SECTION 4. That the unit operator shall file with the Commission an executed original or executed counterpart thereof of the Chaco Unit Agreement not later than 30 days after the effective date thereof.

SECTION 5. That any party owning rights in the unitized substances who does not commit such rights to said Unit Agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or a counterpart thereof. The Unit Operator shall file with the Commission within 30 days an original or any such counterpart.

SECTION 6. That this order shall become effective on the first day of the calendar month next following the approval of the Commissioner of Public Lands and the Director of the United States Geological Survey and shall terminate ipso facto on the termination of said Unit Agreement. The last Unit Operator shall immediately notify the Commission in writing of such termination.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

SEAL

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 444
ORDER No. R-240

THE APPLICATION OF THREE STATES
NATURAL GAS COMPANY FOR AN ORDER
APPROVING A PROPOSED UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE CHACO UNIT AREA CONSISTING OF
45,998.49 ACRES SITUATED IN TOWNSHIP 23
NORTH, RANGES 8 AND 9 WEST, NMPM,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

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

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SECTION 2. That the Chaco Unit Agreement shall be, and is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval of said agreement shall not be considered as waiving or relinquishing in any manner any rights, duties, or obligations

which are now or may hereafter be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Chaco Unit Agreement or relative to the production of oil or gas therefrom.

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NEW MEXICO PRINCIPAL MERIDIAN

Township 23 North, Range 8 West
All of Sections 1 thru 36, inclusive

Township 23 North, Range 9 West
All of Sections 1 thru 36, inclusive

Containing 45,998.49 acres of land, more or less.

(b) The Unit Area may be enlarged or contracted as provided in said Plan.

SECTION 4. That the unit operator shall file with the Commission an executed original or executed counterpart thereof of the Chaco Unit Agreement not later than 30 days after the effective date thereof.

SECTION 5. That any party owning rights in the unitized substances who does not commit such rights to said Unit Agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or a counterpart thereof. The Unit Operator shall file with the Commission within 30 days an original or any such counterpart.

SECTION 6. That this order shall become effective on the first day of the calendar month next following the approval of the Commissioner of Public Lands and the Director of the United States Geological Survey and shall terminate ipso facto on the termination of said Unit Agreement. The last Unit Operator shall immediately notify the Commission in writing of such termination.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

S E A L

Case 444

TURNER, ATWOOD, WHITE, McLANE AND FRANCIS

ATTORNEYS AND COUNSELORS AT LAW

SUITE 1211 MERCANTILE BANK BUILDING

DALLAS 1, TEXAS

J. GLENN TURNER
FELIX ATWOOD
W. D. WHITE
ALFRED E. McLANE
EDWARD L. FRANCIS
JAMES B. FRANCIS
TREVOR REES JONES
WM. V. COUNTS
HARRY S. WELCH
THOS. R. HARTNETT III
H. L. HITCHINS, JR.
WILLIAM L. McINERNEY
WILLIAM G. WEBB
JULIAN M. MEER

November 17, 1952

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
NOV 19 1952
RECEIVED

Mr. W. B. Macey
Chief Engineer
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Chaco Unit Agreement.

Dear Mr. Macey:

In accordance with your instructions by letter dated November 12, 1952, we are pleased to enclose herewith two signed copies of Three States Natural Gas Company's Application for Approval of the Chaco Unit Area in San Juan County, New Mexico.

Unless we are informed by your office to the contrary we will make plans for the hearing of the above Application on December 16, 1952.

Very truly yours,

TURNER, ATWOOD, WHITE, MCLANE AND FRANCIS

By William G. Webb
William G. Webb

WGW:jco
Enclosures

Send [illegible]

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

November 12, 1952

C

O

P

Y

Mr. William G. Webb
TURNER, ATWOOD, WHITE, McLANE & FRANCIS
1711 Mercantile Bank Building
Dallas 1 - Texas

Dear Sir:

This will acknowledge receipt of your application in behalf of your client, Three States Natural Gas Company, for hearing in regard to the proposed Chaco Unit Area in San Juan County, New Mexico.

It will be possible to set the case for hearing at the Commission's regular hearing on December 16, 1952. However, we should have two more signed copies of the application itself; will you please send this to us as soon as possible?

Yours very truly,

W. B. Macey
Chief Engineer

WBM:nr

Case 444

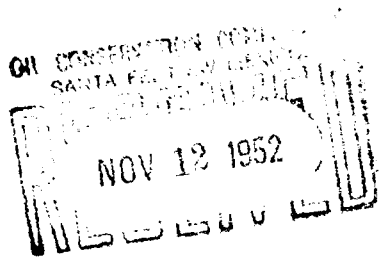
TURNER, ATWOOD, WHITE, McLANE AND FRANCIS

ATTORNEYS AND COUNSELORS AT LAW

J. GLENN TURNER
FELIX ATWOOD
W. D. WHITE
ALFRED E. McLANE
EDWARD L. FRANCIS
JAMES B. FRANCIS
TREVOR REES-JONES
WM. V. COUNTS
HARRY S. WELCH
THOS. R. HARTNETT III
H. L. HITCHINS, JR.
WILLIAM L. McINERNEY
WILLIAM G. WEBB
JULIAN M. MEER

SUITE 1711 MERCANTILE BANK BUILDING
DALLAS 1, TEXAS

November 7, 1952



Oil Conservation Commission
of the State of New Mexico
State Capitol
Santa Fe, New Mexico

Gentlemen:

Please find enclosed herewith the Application of Three States Natural Gas Company for approval of a unit plan of development of the Chaco Unit Area comprising all of Township 23 North, Range 8 and 9 West, and being situated in San Juan County, New Mexico.

If you will issue the requisite public notice and set this matter down for hearing, we will greatly appreciate the courtesy.

All notices and communications in connection with such Application should be sent to us at the above address.

Yours very truly,

TURNER, ATWOOD, WHITE, MCLANE
AND FRANCIS

By William G. Webb
William G. Webb

WGW:jco
Enclosure

cc: Mr. Ben R. Howell
Mr. C. L. Perkins
Miss Margaret Clark
Mr. Max Cohen

In reply refer to:
Unit Division

September 23, 1959

COPY

Harvey, Dow & Hinkle
Hinkle Building
P. O. Box 547
Roswell, New Mexico

Re: Termination of Chaco Unit Area
San Juan County, New Mexico

Gentlemen:

This office has terminated Chaco Unit Agreement, effective as of September 1, 1959 and our records have been posted accordingly.

Very truly yours,
MURRAY E. MORGAN
Commissioner of Public Lands

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/RMR/s
cc: Davis Oil Company
1020 Midland Savings Bldg.
Denver, Colorado

Oil Conservation Commission
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

444

March 5, 1957

COPY

Great Western Drilling Company
Midland, Texas

ATTENTION: S. H. Sneddy

Re: Chaco Unit Area

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved your request for a ninety-day extension of time to June 12th in which to commence the fourth test well on the subject unit, subject to like approval by the U. S. Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

Six approved copies of the request dated March 1st, 1957, are enclosed herewith.

Yours very truly,

A. L. Porter, Jr.
Secretary - Director

ALP/DSN:bp

CC-USGS, Roswell
Commissioner of Public Lands, Santa Fe

AUG 14 1959
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

TERMINATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE ~~NORTH~~ CHACO UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

NO. 14-08-001-2026

CONSERVATION DIVISION
RECEIVED
AUG
GEOLOGICAL SURVEY

WHEREAS, on June 11, 1954, an agreement was entered into for the development and operation of the ~~North~~ Chaco Unit Area, San Juan County, New Mexico, by and between the undersigned parties and others and in which said agreement the Davis Oil Company is now designated as unit operator; and

WHEREAS, said unit agreement was duly approved by the New Mexico Oil Conservation Commission on January 16, 1953, by the Commissioner of Public Lands of the State of New Mexico on January 14, 1953, by the Acting Commissioner of Indian Affairs on January 4, 1955, and by the Acting Director of the United States Geological Survey on January 4, 1955; and

WHEREAS, the unit operator has caused seven test wells to be drilled upon the unit area, none of which have been completed as wells capable of producing unitized substances in paying quantities; and

WHEREAS, Section 20 of said unit agreement provides in part as follows:

> "This Agreement may be terminated at any time by not less than seventy-five (75) per centum, on an acreage basis, of the owners of working interests signatory hereto, with the approval of the Director and State Commissioner; notice of any such approval to be given by the Unit Operator to all parties hereto."

and

WHEREAS, the undersigned parties are the owners of more than seventy-five per cent on an acreage basis of the working interests committed to said unit agreement and are desirous of terminating the same in accordance with the provision above set forth.

NOW, THEREFORE, the undersigned parties, being the owners of more than seventy-five per cent on an acreage basis of the working interests committed to the unit agreement for the operation and development of the ~~North~~ Chaco Urit Area, do hereby terminate said unit agree-

[illegible] Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey and respectfully request the approval of such termination by the said Commissioner and Director. The effective date of termination shall be upon such approval and thereafter the unit operator shall give notice thereof to all parties signatory to said unit agreement.

COUNTERPARTS. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, and shall be binding upon all those parties who have executed such a counterpart with the same force and effect as if all such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the North Chaco Unit Area.

IN WITNESS WHEREOF, this instrument is executed by the undersigned parties as of the dates set opposite their respective signatures.

DAVIS OIL COMPANY

ATTEST:

By: Paul Messinger
~~President~~ Atty In Fact

Secretary

Address: 1020 Midland Savings Bldg.

Date: December 6, 1959

Denver, Colorado

UNIT OPERATOR & WORKING INTEREST OWNER

GREAT WESTERN DRILLING COMPANY

ATTEST:

By M. B. Wilson
Vice President

Assistant Secretary

Address: P.O. Box 1659

Date: 8-4-59

Midland, Texas

THREE STATES NATURAL GAS COMPANY

ATTEST:

By: E. A. Junkins
Vice-President

Secretary

Address: 17th Floor Corrigan Tower

Date: March 18, 1959

Dallas, Texas

ATTEST:

Secretary

Date: 4-13-59

ATTEST:

Secretary

Date: 3-26-59

ATTEST:

Secretary

Date: 4-21-59

HUMBLE OIL & REFINING COMPANY

By:
DIRECTOR IN CHARGE EXPLORATION DEPARTMENT

Address: P.O. Box 2180

Houston, Texas

APPROVED
Land
Accting
Patent
Regr

SOUTHERN UNION GAS COMPANY

By:
Vice President

Address: Burt Building

Dallas, Texas

APPROVED
Legal

SKELLY OIL COMPANY

By:
Vice - President

Address: Skelly Building

Tulsa, Oklahoma

HAZEL C. HINES

Notary Public Scott Co. Iowa

MARY C. GLOCKHOFF

Notary Public Rock Island County, Illinois

LEO HINES
2310 Farman Street
Davenport, Iowa

Notary Public Scott Co. Iowa

R. H. GLOCKHOFF
Manufacturers Bank Building
East Moline, Illinois

Notary Public Rock Island County Illinois

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 11 day of March, 1959, by Paul Hennessy, ~~President~~ Attorney in fact of DAVIS OIL COMPANY, a Kentucky ~~corporation~~, on behalf of said ~~corporation~~. Kentucky

Notary Public

My Commission Expires:

My Commission expires August 12, 1962

* * * * * *

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 24 day of August, 1959, by M B.W. Ilsen Vice ~~R. G. Tucker~~, President of GREAT WESTERN DRILLING COMPANY, a Texas corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

Sam H. Smith
Notary Public, Midland County, Texas
My Commission Expires 6-1-61

~~6-1-59~~

* * * * * *

STATE OF TEXAS)
) ss.
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 10th day of March, 1959, by E. A. Junkins, Vice President of THREE STATES NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

HAZEL GRAY
~~Notary Public in Dallas County, Texas~~
My Commission Expires June 1, 1959

* * * * * *

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 13th day of April, 1959, by ED J. HAMNER, DIRECTOR IN CHARGE EXPLORATION DEPARTMENT of HUMBLE OIL & REFINING COMPANY, a Texas corporation, on behalf of said corporation.

LILLA SMITH
Notary Public
NOTARY PUBLIC IN AND FOR
HARRIS COUNTY, TEXAS

My Commission Expires:

My Commission Expires June 1, 1959

STATE OF)
) ss.
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 26th day of March, 1959, by J. C. Reid, Vice President of SOUTHERN UNION GAS COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

6-1-59

Maurice L. Middleton
Notary Public

* * * * * *

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 2 1st day of Dec, 1959, by _____, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

_____

Boyd D. Brady
Notary Public

* * * * * *

STATE OF IOWA)
) ss.
COUNTY OF [illegible])

The foregoing instrument was acknowledged before me this 2nd day of July, 1959, by Leo Hines and wife, Hazel C. Hines.

My Commission Expires:

July 4th 1960

Louis E. Farwell
Notary Public

* * * * * *

STATE OF ILLINOIS)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 31st day of July, 1959, by R. H. Glockhoff and wife, Mary C. Glockhoff.

My Commission Expires:

[illegible]

Barry L. Bailey
Notary Public

CERTIFICATE OF APPROVAL
OF TERMINATION OF
NORTH CHACO UNIT AREA

BY

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO

The undersigned, Murray Morgan, Commissioner of Public Lands of the State of New Mexico does hereby approve the above and foregoing termination of the Unit Agreement for the Development and Operation of the ~~North~~ Chaco Unit Area, San Juan County, New Mexico, this the 10th day of August, 1959.

Commissioner of Public Lands

CERTIFICATE OF APPROVAL
OF TERMINATION OF
NORTH CHACO UNIT AREA

BY

DIRECTOR
UNITED STATES GEOLOGICAL SURVEY

The undersigned, Acting Director of the United States Geological Survey does hereby approve the above and foregoing termination of the Unit Agreement for the Development and Operation of the ~~North~~ Chaco Unit Area, San Juan County, New Mexico, this the 1st day of Sept, 1959. Effective as of the date of approval.

Acting Director,
United States Geological Survey

In reply refer to:
Unit Division

May 26, 1958

Davis Oil Company
302 Midland Savings Bldg.
Denver 2, Colorado

Re: Chaco Unit Agreement
San Juan County, New Mexico

ATTENTION: Mr. Paul Messinger

Gentlemen:

The Commissioner of Public Lands has today approved your request for an extention of thirty days to July 10, 1958 within which to commence the second obligation well called for under the terms of the extension of the Chaco Unit.

We are retaining one copy and mailing the original and five copies to the United States Geological Survey office in Roswell, New Mexico, attention, Mr. John Anderson, Director, as you requested. Upon approval by the United States Geological Survey, may we have one fully executed copy for our files.

Our sincere thanks for your prompt attention to our letter of May 19, 1958.

Very truly yours,

MURRAY E. MORGAN,
Commissioner of Public Lands

BY:

Ted Bilberry, Supervisor
Oil and Gas Division

MEM/TBB/s
cc: OCC-Santa Fe
U.S.G.S.-Roswell

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

April 5, 1957

Re: Chaco Unit
#14-08-001-2026

Commissioner of Public Lands
P. O. Box 791
Santa Fe, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

We wish to advise that our application for a 90-day extension covering the above unit was approved March 15, 1957 by the Director of the United States Geological Survey.

Yours very truly,

GREAT WESTERN DRILLING COMPANY

S. H. Sneddy

S. H. Sneddy
Land Manager

SHS:mc

cc: Commissioner of Public Lands
Unit Division
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

March 5, 1957

COPY

Great Western Drilling Company
Midland, Texas

ATTENTION: S. H. Snoddy

Re: Chaco Unit Area

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved your request for a ninety-day extension of time to June 12th in which to commence the fourth test well on the subject unit, subject to like approval by the U. S. Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

Six approved copies of the request dated March 1st, 1957, are enclosed herewith.

Yours very truly,

A. L. Porter, Jr.
Secretary - Director

ALP/DSN:bp

CC-USGS, Roswell
Commissioner of Public Lands, Santa Fe

COPY

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

P.O. Box 1659

March 1, 1957

Re: Chaco Unit Area
No. 14-08-001-3026
San Juan County, New Mexico

Director
United States Geological Survey
Department of the Interior
Washington, D.C.

Commissioner of Public Lands
Santa Fe, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

The Unit Agreement for the development and operation of the Chaco Unit Area, embracing lands in San Juan County, New Mexico, was approved by the United States Geological Survey on January 4, 1955.

Great Western Drilling Company became unit operator of the above unit on March 11, 1955, and has drilled a test well known as the Chaco Unit No. 1, located 1450 feet from the North line and 1660 feet from the West line of Section 14, T-23-N, R-9-W, to a total depth of 5,830 feet. Said well was plugged back to 4,770 feet on April 4, 1955, and completion attempts were made. This well was put on production May 17, 1955. Since that date re-working operations in attempting to re-complete said well have been carried on constantly, and as to this date a total cost of approximately $98,440.80 has been spent on said well. The average daily production has been 10 barrels of oil per day until July 10, 1956, when production declined to 3 barrels of oil per day. This well has been temporarily abandoned.

Five (5) drill stem tests were made and the following formation tops were determined:

Pictured Cliffs	1090'
Mesa Verde	1453'
Cliff House	2524'
Menefee	2621'
Point Lookout	3532'
Mancos	3690'
Tocito	4630'
Sanastee	5145'
Green Horn	5440'

OPY COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

Re: Chaco Unit Area March 1, 1957

Grameros	5501'
Dakota	5537'
Morrison	5828'

The Chaco Unit No. 2 well was drilled at a location 660 feet from the South line and 2103 feet from the East line of Section 16, T-23-N, R-8-W, San Juan County, New Mexico, to a total depth of 6,098 feet. Said well was plugged back to a depth of 5,100 feet and completion attempts were made. This well was put on production June 3, 1955. Since that time re-working operations in attempting to re-complete said well have been carried on, the last attempt being April 7, 1956, and as to this date a total cost of $162,437.50 has been spent on this well. The average daily production has been 10 barrels of oil. Eleven (11) drill stem tests were made, and the following formation tops were determined:

Ojo Alamo	240'
Kirtland-Fruitland	550'
Farmington	
Pictured Cliffs	1390'
Menefee	2905'
Point Lookout	3800'
Mancos	3919'
Dakota	5837'
Morrison	6094'

On August 29, 1955, Great Western Drilling Company spudded its No. 1 Riddel well, which was located 777 feet from the North line and 681 feet from the East line of Section 12, T-23-N, R-8-W, San Juan County, New Mexico. This well was drilled to a total depth of 5,545 feet and was plugged and abandoned on November 2, 1955. A total of $42,828.74 was spent in the drilling of this well, and the following formation tops were determined:

Fruitland	1616'
Pictured Cliffs	1888'
Mesa Verde	2293'
Cliff House	3387'
Menefee	3420'
Point Lookout	4220'
Mancos	4341'
Hospah	5323'

On August 17, 1956, Great Western Drilling Company spudded its No. 3 Chaco well, which was located 2012 feet from the North line and 2016 feet from the East line of Section 21, T-23-N, R-8-W, San Juan County, New Mexico. This well was drilled to a total depth of 5000 feet and

COPY

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

Re: Chaco Unit Area

March 1, 1957

was completed on September 12, 1956, and potentialed at 44.12 barrels of oil in 24 hours. After a few months the production began to decline and the well is now making 11 barrels of oil per day. The total cost of drilling and equipping this well was $83,472.77 and following formation tops were determined:

Pictured Cliffs	1280'
Mesa Verde	1662'
Cliff House	2738'
Menefee	2875'
Point Lookout	3715'
Mancos	3810'
Tocito	4793'

On October 16, 1956, Great Western Drilling Company spudded its South Chaco No. 1 well, located 660 feet from the South line and 790 feet from the West line of Section 9, T-22-N, R-9-W, San Juan County, New Mexico, and completed same as a dry hole on November 5, 1956. Great Western Drilling Company then started the Chaco 6-22-8 No. 1 well on November 8, 1956, located 660 feet from the North line and 1980 feet from the West line of Section 6, T-22-N, R-8-W, San Juan County, New Mexico, and this well was plugged as a dry hole on November 30, 1956.

During the months of April through July of 1956 Great Western Drilling Company reworked the Chaco well No. 2 and attempted to raise the production. An expenditure in excess of $39,000.00 was made and for a short period of time production was raised. Now, production has again fallen to approximately 10 barrels per day.

From January 18, 1956 to February 24, 1956, Great Western Drilling Company employed National Geophysical Company to conduct seismic work on the North Chaco area. The cost incurred for this survey was in excess of $49,000.00. Again on March 25 through April 27, 1956, Great Western Drilling Company employed geophysical services and a Gamma-Ray survey was taken under the Chaco area. The findings of the two services were not identical; so, during the month of February 1957, Great Western Drilling Company again had National Geophysical Company re-evaluate the seismic work.

On February 28, 1957, we were advised that El Paso Natural Gas Company had spudded a well located 660 feet from the South line and 660 feet from the East line of Section 30, T-24-N, R-8-W, San Juan County, New Mexico. We believe that this well will influence the location of our next required test well on the North Chaco, which is due March 12, 1957. We have presently staked our location in Section 18, T-23-N, R-8-W, but due to this recent development we hereby request a ninety (90) day extension from March 12, 1957, before it is necessary to commence our required well. In the event El Paso Natural Gas Company's well is a producer, our logical location would be to move as close to their Section 30 as possible in order to obtain production, but in the event

COPY COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

Re: Chaco Unit Area March 1, 1957

the well is non-commercial, we will probably retain our present location in Section 16, which is 1980 feet from the North line and 1980 feet from the West line of said section.

Yours very truly,

GREAT WESTERN DRILLING COMPANY

S. H. Snoddy
Land Manager

sh:mh

The foregoing is approved this _____ day of _____, 1957.

Director of U.S.G.S.

Commissioner of Public Lands

/s/ alPJr

Oil Conservation Commission

THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL BEING GRANTED BY THE UNITED STATES GEOLOGICAL SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS OF THE STATE OF NEW MEXICO.

January 4, 1957

In reply refer to:
Unit Division

Great Western Drilling Co.
Midland, Texas

Re: Chaco Unit Area
San Juan County, N. Mex.

Attention: Mr. S. H. Snoddy
Land Manager

Gentlemen:

You have failed to answer our letter which was written February 8, 1956, in which we requested definite information concerning this Unit. Under Paragraph 11, Participation After Discovery, you, as Operator, are responsible, and as the State Land Commissioner asked for this information over a year ago we are at a loss to know why we received no reply to this letter.

Your Chaco Unit Well No. 2 in Section 16-23N-8W is on State acreage, and we request that you give us the participating area which is dedicated to this well so that we may properly post our records.

Your request for an extension of time, expiring September 1, 1956, within which to commence your fourth test well under the terms of the Chaco Unit Agreement was granted by the New Mexico Oil Conservation Commission, the United States Geological Survey, and the Commissioner of Public Lands, however we have had no report since this extension was granted. If you have started a fourth test well we have received no report on this.

May we hear from you at your earliest convenience.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands

MEM:MMR/m
cc: OCC-Santa Fe; USGS-Roswell
Royalty Division-Linnie Crook

J. M. HERVEY 1874-1953
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.
HOWARD C. BRATTON
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
ROBERT C. BLEDSOE

LAW OFFICES
HERVEY, DOW & HINKLE
HINKLE BUILDING
ROSWELL, NEW MEXICO

TELEPHONE MAIN 2-6510
POST OFFICE BOX 547

September 15, 1959

4-4-4

Mr. A. L. Porter, Jr., Secretary-Director
New Mexico Oil Conservation Commission
Mabry Hall, State Capitol
Santa Fe, New Mexico

Re: Termination of Chaco Unit Area

Dear Mr. Porter:

We enclose herewith photostatic copy of Termination of Chaco Unit Agreement.

You will note that this termination was approved by the Commissioner of Public Lands on August 11 and by the Director of the U.S.G.S. on September 1, 1959, which is the effective date of the termination. Please note your records accordingly.

Yours very truly,

HERVEY, DOW & HINKLE

By

CEH/bp
Encl.

cc: Great Western Drilling Company

Case 449

GREAT WESTERN drilling co.
Midland Texas

8:45

R. C. TUCKER, PRES

March 29, 1956

PHONE 2-5241
ADDRESS REPLY TO:
BOX 1659
MIDLAND, TEXAS

Re: Chaco #1
San Juan County, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Great Western Drilling Company, as Operator of the Chaco Unit #14-08-001-2026 in San Juan County, New Mexico, has made application for an extension on the above described unit. This extension has been granted until September 1, 1956.

Yours very truly,

GREAT WESTERN DRILLING COMPANY

S. H. Snoddy

S. H. Snoddy
Land Manager

SHS:mc
Encl.

cc: Commissioner of Public Lands
Santa Fe, New Mexico

Skelly Oil Company
Tulsa 2, Oklahoma
Attention: T. F. Thompson

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas
Attention: Leon McMillan

Three States Natural Gas Company
17th Floor Corrigan Tower
Dallas, Texas
Attention: Joe Donahue

COPY

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

January [illegible], 1955

Re: Cooper Basin Area
[illegible] County
[illegible], New Mexico

Director
United States Geological Survey
Department of the Interior
Washington, D.C.

Oil Conservation Commission
[illegible]
Roswell, New Mexico

Gentlemen:

Your [illegible] approval of the drilling and completion of the Great Western Drilling Company, et al, Jones Federal No. 1, [illegible], New Mexico, was approved by the United States Geological Survey on January 4, 1955.

Great Western Drilling Company began actual operation of the above [illegible] on March 11, 1955, and is drilling a test well known as the Great Western Drilling Company et al, Jones Federal No. 1, [illegible] Section 6, Township [illegible] South, Range [illegible] East, N.M.P.M. Chaves County, New Mexico. Said well was plugged back to 4,770 feet on April 1, 1955 and completion attempts made. Due to total depth of 5,000 feet, and completion attempts not successful on production test, it is not believed that [illegible] to recommend be made. It is that [illegible] operations should, [illegible] be carried on [illegible] total cost of approximately $28,[illegible].00 has been spent on said well. It is expected [illegible] production has been [illegible] at this time. Five (5) [illegible] attempts have been made and the following completion tops have been reported:

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

[illegible]

- 2 -

COPY

COPY

GREAT WESTERN DRILLING CO.

MIDLAND, TEXAS

COPY

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

COPY

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

January 16, 1956

- Page 4 -

The foregoing is approved this ___ day of _____, 1956.

Director of U.S.G.S., subject to approval of the Commissioner and the Commission

Commissioner of Public Lands, subject to approval by the U.S.G.S. and the Commission

FEB 16 1956

Oil Conservation Commission, subject to approval by the U.S.G.S. and the Commissioner

3/7/56
Date approval 1956

Extension to Lease No. [illegible] covering all that portion of the NE/4 of Section 1, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, expiring September 1, 1956, with a right to continue the drilling well under the lease until [illegible], 1957.

Arthur O'Baker
Acting Director, Geological Survey

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

February 16, 1956

file

COPY

Great Western Drilling Company
Box 1659
Midland, Texas

Attention: Mr. S. H. Snoddy

Re: (Chaco Unit Area)
San Juan County, New Mexico

Gentlemen:

Reference is made to your letter of January 16, 1956, in which you requested extension of time in which to commence the fourth test well in the subject unit area.

This is to advise that the New Mexico Oil Conservation Commission has this date approved extension of time to September 1, 1956, in which to commence an additional well, approval of said extension being subject to like approval by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

Very truly yours,

W. B. MACEY,
Secretary-Director

WBM/ir

cc: U. S. G. S. - Roswell, New Mexico
Commissioner of Public Lands - Santa Fe, New Mexico

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

RECEIVED
STATE LAND OFFICE
FEB 2 9 31 AM '56
SANTA FE, N. M.

January 16, 1956

Re: Chaco Unit Area
No. 14-08-001-2026
San Juan County, New Mexico

TO: Oil Conservation Commission
Santa Fe, New Mexico

AND: Commissioner of Public Lands
P. O. Box 791
Santa Fe, New Mexico

Gentlemen:

The unit agreement for the development and operation of the Chaco Unit Area, embracing lands in San Juan County, New Mexico, was approved by the United States Geological Survey on January 4, 1955.

Great Western Drilling Company became unit operator of the above unit on March 11, 1955 and has drilled a test well known as the Chaco Unit No. 1, located 1450 feet from the North line and 1660 feet from the West line of Section 14, T-23-N, R-9-W, to a total depth of 5,830 feet. Said well was plugged back to 4,770 feet on April 4, 1955 and completion attempts were made. This well was put on production May 17, 1955. Since that date re-working operations in attempting to re-complete said well have been carried on constantly, and as to this date a total cost of approximately $98,440.80 has been spent on said well. The average daily production has been 10 barrels of oil per day. Five (5) drill stem tests were made and the following formation tops were determined:

Pictured Cliffs	1090'
Mesa Verde	1453'
Cliff House	2528'
Menefee	2621'
Point Lookout	3532'
Mancos	3650'
Dakota	4630'

COPY

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

FEB ? ... 8 AM '56

Oil Conservation Commission
Commissioner of Public Lands
Re: Chaco Unit Area

January 16, 1956

Sanostee	5145'
Green Horn	5440'
Cremeros	5501'
Dakota	5537'
Morrison	5828'

The Chaco Unit No. 2 well was drilled at a location 660 feet from the South line and 2,103 feet from the East line of Section 16, T-23-N, R-8-W, San Juan County, New Mexico, to a total depth of 6,098 feet. Said well was plugged back to a depth of 5,100 feet and completion attempts were made. This well was put on production June 5, 1955. Since that time re-entering operations in attempting to re-complete said well have been carried on, the last attempt was August 7, 1955, and as to this date a total cost of $113,149.71 has been spent on this well. The average daily production has been 9 barrels of oil. Eleven (11) drill stem tests were made, and the following formation tops were determined:

Ojo Alamo	240'
Kirtland-Fruitland	550'
Farmington	
Pictured Cliffs	1390'
Menefee	2905'
Point Lookout	3800'
Mancos	3819'
Dakota	5837'
Morrison	6094'

On August 29, 1955 Great Western Drilling Company spudded their No. 1 Riddel well, which was located 777 feet from the North line and 681 feet from the East line of Section 12, T-23-N, R-8-W, San Juan County, New Mexico. This well was drilled to a total depth of 5,945 feet and was plugged and abandoned on November 2, 1955. A total of $42,838.74 was spent in the drilling of this well, and the following formation tops were determined:

Fruitland	1616'
Pictured Cliffs	1888'
Mesa Verde	2293'
Cliff House	3387'
Menefee	3420'

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RECEIVED
OIL CONSERVATION COMM.
FEB 2 9 33 AM '56
SANTA FE, N. M.

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

Oil Conservation Commission
Commissioner of Public Lands
Re: Ghaco Unit Area

January 16, 1956

Point Lookout	4220'
Menefee	4341'
Hospah	5323'

In view of the geologic information which we have obtained by the drilling of these three (3) wells, we believe that further geological studies would be warranted to determine where our next well should be drilled. Seismograph work may be necessary; however, as this area under study is an area of rugged terrain, reliable interpretation of seismographic work may be difficult. An extensive study will be required to reconcile this data into a regional stratigraphic relationship.

We are also in the process of unitizing T-22-N, R-8 and R-9-W, and in this unitization a four (4) well commitment has been made. We believe that after a test well has been drilled in either or both of these Townships, the information received will also enable us to better select a location in T-23-N.

At this time we do not believe that we are prepared to intelligently select a location for the drilling of an additional well, and in view of the fact that we have already spent $254,419.23 we request that we be granted an extension until September 1, 1956. During this period we will be able to complete our geological and possibly geophysical work and make the necessary studies of the results in order to reach a decision of the next test well. We believe that after this period of time, we will be able to more intelligently decide on a location which will be profitable to all.

Yours very truly,

GREAT WESTERN DRILLING COMPANY

S. H. Smalley

S. H. Smalley
Land Manager

SHS:mc

cc: United States Geological Survey
Roswell, New Mexico

COPY

GREAT WESTERN DRILLING CO.
MIDLAND, TEXAS

FEB 2 [illegible] 31 AM '56
SANTA FE, N. M.

COPY

January 16, 1956

- Page 4 -

The foregoing is approved this 16th day of February, 1956.

Director of U.S.G.S., subject to approval of the Commissioner and the Commission

Ed Walker

Commissioner of Public Lands, subject to approval by the U.S.G.S. and the Commission

W B Macey FEB 16 1956

Oil Conservation Commission, subject to approval by the U.S.G.S. and the Commissioner

In reply refer to:
Unit Division

August 11, 1959

Harvey, Dow & Hinkle
P. O. Box 547
Roswell, New Mexico

ATTENTION: Mr. Clarence E. Hinkle

Re: North Chaco Unit
San Juan County,
New Mexico

Dear Sir:

We are enclosing eight copies of a document entitled "Termination of Unit Agreement For The Development And Operation Of The North Chaco Unit Area, San Juan County, New Mexico".

The Commissioner of Public Lands has of this date approved the termination of the North Chaco also known as Chaco Unit.

Very truly yours,
MURRAY E. MORGAN
Commissioner of Public Lands

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/RMR/m
cc: OCC-SantaFe
USGS- Roswell

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE CHACO UNIT AREA
COUNTY OF SAN JUAN, STATE OF NEW MEXICO
I-Sec._____

This AGREEMENT made and entered into as of the _____ day of _____, 1952, by and between the parties subscribing, ratifying or consenting hereto and herein referred to as the "parties hereto",

W I T N E S S E T H :

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

WHEREAS the Act of February 25, 1920, 41 Stat. 437, as amended by the Act of August 8, 1946, 60 Stat. 950, 30 U.S.C. Sections 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 (Chapter 88 Laws 1943, New Mexico Statutes 1941 Annotated, Sections 8-1138 to 8-1141) to consent to and approve the development or operation of lands of the State of New Mexico under this Agreement; and

WHEREAS the rules and regulations governing the leasing of restricted allotted and Tribal Indian lands for oil and gas except allotments made to the members of the five civilized tribes and Osage Indians in Oklahoma, promulgated by the Secretary of the Interior (25 C.F.R. 189.24(c)) under and pursuant to the Act of March 3, 1909, 35 Stat. and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U.S.C 396A et seq., and the oil and gas leases covering said allotted and Tribal Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS the Oil Conservation Commission of the State of New Mexico is authorized by an Act of the Legislature (Chapter 72 Laws 1935) to approve this Agreement and the conservation provisions hereof; and

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

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

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

1. ENABLING ACT AND REGULATIONS.

The 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; as to Indian lands, the Acts of March 3, 1909 and May 11, 1938, 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, provided such regulations are not inconsistent with the terms of this Agreement; and as to State of New Mexico 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 New Mexico are hereby accepted and made a part of this Agreement.

2. UNIT AREA.

The following described land is hereby designated and recognized as constituting the Unit Area:

New Mexico Principal Meridian

Township 23 North, Ranges 8 and 9 West

All of these two townships, containing 46,080 acres, more or less.

Exhibit "A" attached hereto is a map showing the Unit Area and the boundaries and identity of tracts and leases in said 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, percentage, and kind of ownership of oil and gas interests in all land in the unit area. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes in the unit area render such revision necessary or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor", or when requested by the Commissioner of Public Lands of the State of New Mexico, hereinafter referred to as "State Commissioner", and not less than seven (7) copies of the revised exhibits shall be filed with the Supervisor and at least one (1) copy thereof shall be filed with the State Commissioner and one (1) copy with the New Mexico Oil Conservation Commission, hereinafter referred to as "State Commission". The Commissioner of Indian Affairs shall hereafter be referred to as the "Indian Commissioner".

The above described unit area shall, when practicable, be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this Agreement, or shall be contracted to exclude lands not within any participating area whenever such expansion or contraction is necessary or advisable to conform with the provisions of this Agreement. Such expansion or contraction shall be effected in the following manner:

(a) Unit Operator, on its own motion or on demand of the Director of the Geological Survey, hereinafter referred to as "Director", or on demand of the State Commissioner, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, and the proposed effective date thereof.

(b) Said notice shall be delivered to the Supervisor and State Commissioner, and copies thereof mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that thirty (30) days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Supervisor and the State Commissioner evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the Director and the State Commissioner, become effective as of the date prescribed in the notice thereof.

All land committed to this Agreement shall constitute land referred to herein as "unitized land" or "land subject to this Agreement".

3. UNITIZED SUBSTANCES.

All oil and gas in any and all formations of the unitized land are unitized under the terms of this Agreement and herein are called "unitized substances".

4. UNIT OPERATOR.

El Paso Natural Gas Company, a Delaware corporation with offices at El Paso, Texas, is hereby designated as Unit Operator and by signature hereto as Unit Operator commits to this Agreement all interests in unitized substances vested in it as set forth in Exhibit "B" hereto and agrees and consents to accept the duties and obligations of Unit Operator for the discovery, 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 interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such an interest is owned by it.

5. RESIGNATION OR REMOVAL OF UNIT OPERATOR.

Unit Operator shall have the right to resign at any time prior to the establishment of a participating area or areas hereunder, 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 notice of intention to resign has been served by Unit Operator on all working interest owners and the Director and the State Commissioner, and until all wells then drilled hereunder are placed in a satisfactory condition for suspension or abandonment, whichever is required by the Supervisor as to federal and Indian lands and by the State Commissioner as to state and privately-owned lands, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

Unit Operator shall have the right to resign in like manner and subject to like limitations as above provided at any time a participating area established hereunder is in existence, but provided, however, until a successor unit operator is selected and approved as hereinafter provided, the working interest owners shall be jointly responsible for performance of the duties of Unit Operator, and shall not later than thirty (30) days before such resignation becomes effective appoint a common agent to represent them in any action to be taken hereunder.

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

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interests determined in like manner as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Director and State Commissioner. If removal because of default or failure occurs during the existence of a participating area established hereunder, the working interest owners jointly shall be responsible for performance of the duties of the Unit Operator until a successor unit operator is selected and approved as herein provided and shall, not later than the effective date of such removal, appoint a common agent to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this Agreement shall not terminate its right, title, or interest as the owner of a working interest or other interest in unitized substances, but upon the resignation or removal of Unit Operator becoming effective such Unit Operator shall deliver possession of all equipment, materials and appurtenances used in conducting the unit operations and owned by the working interest owners to the new duly qualified successor Unit Operator or to the owners thereof if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

6. SUCCESSOR UNIT OPERATOR.

Whenever the Unit Operator shall tender his or its resignation as Unit Operator or shall be removed as hereinabove provided, the owners of the working interests in the participating area or areas according to their respective acreage interests in such participating area or areas, or until a participating area shall have been established, the owners of the working interests according to their respective acreage interests in all unitized land, shall by majority vote select a successor Unit Operator; provided, that, if a majority but

less than seventy-five per cent (75%) of the working interests qualified to vote are owned by one party to this Agreement, a concurring vote of sufficient additional working interest owners shall be required so as to constitute in the aggregate not less than seventy-five per cent (75%) of the total working interests in order to select a new operator. 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 Director and Commissioner. If no successor Unit Operator is selected and qualified as herein provided, the Director and State Commissioner at their election may declare this Unit Agreement terminated.

7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT.

If the Unit Operator is not the sole owner of working interests, costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid in the first instance by Unit Operator and such costs and expenses so paid by Unit Operator shall be apportioned among and borne by the owners of working interests and the Unit Operator reimbursed, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the owners of working interests, whether one or more, separately or collectively. Any agreement or agreements, entered into between the working interest owners and the Unit Operator as provided in this section, whether one or more, are herein referred to as the "unit operating agreement". Such unit operating agreement shall also provide the manner in which the working interest owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts, and such other rights and obligations as between Unit Operator and the working interest owners as may be agreed upon by Unit Operator and the working interest owners; however, no such unit operating agreement shall be deemed either to modify any of the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right

or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the unit operating agreement, this Unit Agreement shall prevail. Three true copies of any unit operating agreement executed pursuant to this section shall be filed with the Supervisor.

Notwithstanding any provision contained herein to the contrary, each working interest owner shall have the right to take such owner's proportionate share of the unitized substances in kind or to personally sell or dispose of the same, and nothing herein contained shall be construed as giving or granting to the Unit Operator the right to sell or otherwise dispose of the proportionate share of any working interest owner without specific authorization from time to time so to do.

8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR.

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

9. DRILLING TO DISCOVERY.

Within three (3) months after the effective date hereof, the Unit Operator shall begin to drill an initial test well at a location within the boundaries of Township 23 North, Range 8 West, and not later than six (6) months after the completion of said

initial test well Unit Operator shall begin to drill a second test well within the boundaries of Township 23 North, Range 9 West, each of such locations to be selected by it and to be approved by the Supervisor, if on federal or Indian land, or the State Commissioner, if on state land, unless on such effective date a well or wells is or are being drilled conformably with the terms hereof, and thereafter continue such drilling diligently until the Dakota formation has been tested in both the initial and second test wells or the Unit Operator shall at any time establish to the satisfaction of the Supervisor, if on federal or Indian land, or the State Commissioner, if on state land, that the further drilling of either or both of said wells would be unwarranted or impracticable; provided, however, that Unit Operator shall not in any event be required to drill said wells to a depth in excess of eight thousand (8,000) feet.

Until the discovery of a deposit of unitized substances capable of being produced in paying quantities, the Unit Operator shall continue drilling diligently one well at a time, allowing not more than six (6) months between the completion of one well and the beginning of the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of said Supervisor if on federal or Indian land, or the State Commissioner if on state land, or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formations drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in Section 5 hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section. The Director and State Commissioner may modify the drilling requirements of this section by granting reasonable extensions of time when, in their opinion, such action is warranted.

Upon failure to comply with the drilling provisions of this section, the Director and the State Commissioner may, after reasonable notice to the Unit Operator, and each working interest owner, lessee and lessor at their last known addresses declare this Unit Agreement terminated.

10. PLAN OF FURTHER DEVELOPMENT AND OPERATION.

Within six (6) months after the completion of a well capable of producing unitized substances in paying quantities, the Unit Operator shall submit for the approval of the Supervisor, the State Commissioner and the State Commission an acceptable plan of development and operation for the unitized land which, when approved by the Supervisor, the State Commissioner and the State Commission shall constitute the further drilling and 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 the approval of the Supervisor, the State Commissioner and the State Commission, a plan for an additional specified period for the development and operation of the unitized land. Any plans submitted pursuant to this section shall provide for the exploration of the unitized area and for the determination of the area or areas thereof capable of producing unitized substances in paying quantities in each and every productive formation and shall be as complete and adequate as the Supervisor and the State Commissioner and the State Commission may determine to be necessary for timely development and proper conservation of the oil and gas resources of the unitized area and shall (a) specify the number and locations of any wells to be drilled and the proposed order and time for such drilling; and (b) to the extent practicable specify the operating practices regarded as necessary and advisable for proper conservation of natural resources. Separate plans may be submitted for separate productive zones, subject to the approval of the Supervisor, the State Commissioner and the State

Commission. Said plan or plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this Agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of development.

The Supervisor and Commissioner are authorized to grant a reasonable extension of the six (6) months period herein prescribed for submission of an initial plan of development where such action is justified because of unusual conditions or circumstances. After completion hereunder of a well capable of producing oil or gas in paying quantities, no further wells, except such as may be necessary to afford protection against operations not under this Agreement, or such undrilled initial test wells specified in Section 9 above, or such as may be specifically approved by the Supervisor and the State Commissioner shall be drilled except in accordance with a plan of development approved as herein provided.

11. PARTICIPATION AFTER DISCOVERY.

Upon completion of a well capable of producing unitized substances in paying quantities or as soon thereafter as required by the Supervisor or the State Commissioner, the Unit Operator shall submit for approval by the Supervisor, the State Commissioner and the State Commission, a schedule based on subdivisions of the public land survey or aliquot parts thereof, of all unitized land then regarded as reasonably proved to be productive of unitized substances in paying quantities; all land in said schedule, on approval of the Supervisor, the State Commissioner and the State Commission to constitute a participating area, effective as of the date of first production, said schedule shall set forth the percentage of unitized substances to be allocated as herein provided, to each unitized tract in the participating area so established, and said schedule shall govern the allocation from and after the date the participating area becomes effective. A separate participating area shall be

established in like manner for each separate pool or deposit of unitized substances, or for any group thereof produced as a single zone or pool, and any two or more participating areas so established may be combined into one with the consent of the owners of all working interest of the lands so to be combined and the approval of the Supervisor, the State Commissioner and the State Commission. The participating area or areas so established and approved shall be revised from time to time, subject to like approval, whenever such action appears proper as a result of further drilling operations or otherwise to include additional land then regarded as reasonably proved to be productive in paying quantities, or to exclude land then regarded as reasonably proved not to be productive, and the percentage of allocation shall also be revised accordingly. The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, unless a more appropriate effective date is specified in the schedule. No land shall be excluded from a participating area on account of depletion of the unitized substances.

It is the intent of this section that a participating area shall represent the area known or reasonably estimated to be productive in paying quantities, but regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the Director, the State Commissioner and the State Commission as to the proper definition or redefinition of a participating area, or until a participating area has, or areas have, been established as provided herein, the portion of all payments affected thereby may be impounded in a manner mutually acceptable to the owners of working interests, except royalties due the United States, Indians and the State of New Mexico, which shall be determined by the Super visor for federal or Indian lands and the State Commissioner for state

lands and the amount thereof deposited as directed by the Supervisor and the State Commissioner respectively to be held as unearned money until a participating area is finally approved and then applied as earned or returned in accordance with a determination of the sum due as federal, Indians and state royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the Supervisor as to wells drilled on federal and Indian land and of the State Commissioner as to wells drilled on state land, and the State Commission as to wells on privately-owned land, that a well drilled under this Agreement is not capable of production in paying quantities and inclusion of the land on which it is situated in a participating area is unwarranted, production from such well shall, for the purposes of settlement among royalty interest owners, be allocated to the land on which the well is located so long as such land is not within a participating area established for the pool or deposit from which such production is obtained. Settlement for working interest benefits from such a well shall be made as provided in the unit operating agreement.

12. ALLOCATION OF PRODUCTION.

All unitized substances produced from each participating area established under this Agreement, except any part thereof used in conformity with good operating practices within ghe Unitized area for drilling, operating, camp and other production or development purposes, for repressuring or recycling in accordance with a plan of development approved by the Supervisor, the State Commissioner and the State Commission, or unavoidably lost, shall be deemed to be produced equally on an acreage basis from the several tracts of unitized land of the participating area established for such production and, for the purpose of determining any benefits accruing under this Agreement, each such tract of unitized land shall have allocated to it such percentage of said production as the number of acres of such tract included in said participating area bears to the total acres of unitized land in said participating area, except that allocation of production hereunder for purposes other than for settlement of the royalty, overriding royalty, or payment out of production obligations of the respective working interest owners, shall be on the basis prescribed in the unit operating agreement whether in conformity with the basis of allocation herein set forth or otherwise. It is hereby agreed that production of unitized substances from a participating area shall be allocated as provided

herein regardless of whether any wells are drilled on any particular part or tract of said participating area. If any gas produced from one participating area is used for repressuring or recycling purposes in another participating area, the first gas withdrawn from such last mentioned participating area for sale during the life of this Agreement shall be considered to be the gas so transferred until an amount equal to that transferred shall be so produced for sale and such gas shall be allocated to the participating area from which initially produced as constituted at the time of such final production

13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND OR FORMATIONS AND DRILLING OF WELLS NOT MUTUALLY AGREED UPON.

Any party or parties hereto owning or controlling the working interests or a majority of the working interests in any unitized land having thereon a regular well location may, with the approval of the Supervisor as to federal or Indian land, and the State Commissioner as to state land, and the State Commission as to privately-owned land, and subject to the provisions of the unit operating agreement, at such party's sole risk, cost, and expense drill a well to test any formation for which a participating area has not been established or to test any formation for which a participating area has been established if such location is not within said participating area, or drill any well not mutually agreed to by all interested parties, unless within ninety (90) days of receipt of notice from said party of his intention to drill the well the Unit Operator elects and commences to drill such well in like manner as other wells are drilled by the Unit Operator under this Agreement.

If any well drilled as aforesaid by a working interest owner results in production such that the land upon which it is situated may properly be included in a participating area, such participating area shall be established or enlarged as provided in this Agreement, and the party or parties paying the cost of drilling such well shall be reimbursed as provided in the unit operating agreement for the cost of drilling such well, and the well shall thereafter be transferred to and operated by Unit Operator in accordance with the terms of this Agreement and the unit operating agreement.

If any well drilled as aforesaid by a working interest owner obtains production in quantities insufficient to justify the inclusion in a participating area of the land upon which such well is situated, such well may be operated and produced by the party drilling the same subject to the conservation requirements of this Agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. ROYALTY SETTLEMENT.

The United States, the Indians and the State of New Mexico and all royalty owners who, under existing contracts, are entitled to take in kind a share of the substances now unitized hereunder produced from any tract, shall hereafter be entitled to the right to take in kind their share of the unitized substances allocated to such tract, and Unit Operator, or in case of the operation of a well by a working interest owner as herein in special cases provided for, such working interest owner, shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws, and regulations. Settlement for royalty interest 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 royalties due under their leases.

If gas obtained from lands not subject to this Agreement is introduced into any participating area of the lands being operated hereunder, for use in repressuring, stimulation of production, or increasing ultimate recovery, which shall be in conformity with a plan first approved by the Supervisor, the State Commissioner and the State Commission, a like amount of gas, after settlement as herein provided for any gas transferred from any other participating area and with due allowance for loss or depletion from any cause, may be withdrawn from the formation into which the gas was introduced, royalty free as to dry gas, but not as to the products extracted therefrom; provided that

such withdrawal shall be at such time as may be provided in the plan of operations or as may otherwise be consented to by the Supervisor, the State Commissioner and the State Commission as conforming to good petroleum engineering practice; and provided further, that such right of withdrawal shall terminate on the termination of this Unit Agreement.

Royalty due the United States and the Indians shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized federal or Indian land as provided herein at the rates specified in the respective federal or Indian leases, or at such lower rate or rates as may be authorized by law or regulation; provided, that for leases on which the royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though each participating area were a single consolidated lease.

Royalty due on account of state and privately-owned lands shall be computed and paid on the basis of all unitized substances allocated to such lands.

15. RENTAL SETTLEMENT.

Rental or minimum royalties due on leases committed hereto shall be paid by working interest owners responsible therefor under existing contracts, laws, and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof due under their leases. Rental or minimum royalty for lands of the United States and Indian lands subject to this Agreement shall be paid at the rate specified in the respective leases from the United States and Indians unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

Rentals on State of New Mexico lands subject to this Agreement shall be paid at the rates specified in the respective leases, or may be reduced or suspended upon the order of the State Commissioner pursuant to applicable laws and regulations.

With respect to any lease on non-federal or non-Indian land containing provisions which would terminate such lease unless drilling operations were within the time therein specified commenced upon the land covered thereby or rentals paid for the privilege of deferring such drilling operations, the rentals required thereby shall, notwithstanding any other provision of this Agreement, be deemed to accrue and become payable during the term thereof as extended by this Agreement and thereafter until the required drilling operations are commenced upon the land covered thereby or some portion of such land is included within a participating area.

16. CONSERVATION.

Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to state or federal law or regulation.

17. DRAINAGE.

The Unit Operator shall take appropriate and adequate measures to prevent drainage of unitized substances from unitized land by wells on land not subject to this Agreement, including wells on adjacent unit areas, or pursuant to applicable regulations pay a fair and reasonable compensatory royalty as determined by the Supervisor for federal or Indian lands or as approved by the State Commissioner for state lands.

18. LEASES AND CONTRACTS CONFORMED AND EXTENDED.

The terms, conditions, and provisions of all leases, subleases, and other contracts relating to exploration, drilling, development, or operation for oil or gas of 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 as to federal and Indian leases and the State Commissioner as to state leases shall and each by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change, or revoke the drilling, producing, rental, minimum royalty, and royalty requirements of federal, India

and state leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this Agreement, and, without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

(a) The development and operation of lands subject to this Agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every part or separately owned tract subject to this Agreement, regardless of whether there is any development of any particular part or tract of the unit area, notwithstanding anything to the contraty 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 and producing operations performed hereunder upon any tract of unitized lands will be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

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

(d) Each lease, sublease or contract relating to the exploration, drilling, development or operation for oil or gas of lands other than those of the United States, Indians and the State of New Mexico, committed to this Agreement, 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. Termination of this Agreement shall not affect any lease which, pursuant to the terms thereof or applicable law, shall continue in full force and effect thereafter.

(e) Any federal lease for a fixed term of twenty (20) years or any renewal thereof or any part of such lease which is made subject to this Agreement shall continue in force beyond the term provided therein until the termination hereof. Any other federal or Indian lease committed hereto shall continue in force beyond the term so provided therein or by law as to the committed land so long as such land remains committed hereto, provided unitized substances are discovered in paying quantities within the unit area prior to the expiration date of the primary term of such lease.

(f) Each sublease or contract relating to the operation and development of unitized substances from lands of the United States, or the Indians, committed to this Agreement, which by its terms would expire prior to the time at which the underlying lease, as extended by the immediately preceding paragraph, will expire, 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 the underlying lease as such term is herein extended.

(g) Any lease having only a portion of its lands committed hereto shall be segregated as to the portion committed and the portion not committed, and the terms of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. In the event any such lease provides for a lump-sum rental payment, such payment shall be prorated between the portions so segregated in proportion to the acreage of the respective tracts.

19. 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, royalty, or other 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, photostatic, or certified copy of the instrument of transfer.

20. EFFECTIVE DATE AND TERM.

This Agreement shall become effective upon approval by the Indian Commissioner, the Director and the State Commissioner and shall terminate on October 1, 1957, unless (a) such date of expiration is extended by the Director and State Commissioner, or (b) it is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substances in paying quantities in the formations tested hereunder and after notice of intention to terminate the Agreement on such ground is given by the Unit Operator to all parties in interest at their last known addresses, the Agreement is terminated with the approval of the Director and State Commissioner, or (c) a valuable discovery of unitized substances has been made on unitized land during said initial term or any extension thereof, in which event the Agreement shall remain in effect for such term and so long as unitized substances can be produced in paying quantities, i. e., in this particular instance in quantities sufficient to pay for the cost of producing same from wells on unitized land within any participating area established hereunder and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as the unitized substances so discovered can be produced as aforesaid, or (d) it is terminated as heretofore provided in this Agreement.

This Agreement may be terminated at any time by not less than seventy-five (75) per centum, on an acreage basis, of the owners of working interests signatory hereto, with the approval of the Director and State Commissioner; notice of any such approval to be given by the Unit Operator to all parties hereto.

21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION.

All production and the disposal thereof shall be in conformity with allocations and quotas made or fixed by any duly authorized

person or regulatory body under any federal or state statute. The Director 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 State Commission 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 State Commissioner and as to any lands of the State of New Mexico or privately-owned lands subject to this Agreement as to the quantity and rate of production in the absence of specific written approval thereof by the State Commission.

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

22. AUTOMATIC CONTRACTION.

Notwithstanding any other provisions of this Agreement, land subject hereto, which, five years from the effective date hereof or two years after the date of first sale of unitized substances discovered hereunder, whichever period expires later, is situated one mile or more outside the boundary of participating lands then established hereunder, shall be automatically eliminated by legal subdivisions from and no longer subject to this Agreement unless on the expiration of the applicable period as specified above drilling operations by the Unit Operator are in progress at a location one mile or more outside the participating lands, in which event non-participating land shall remain subject hereto for so long as such drilling operations are continued diligently without a lapse of time of more than one year between the completion of one such well and the beginning of the next such well. Inasmuch as any contraction under this section is automatic, the Unit Operator shall, within 90 days after any such

contraction hereunder, define the area so eliminated, and upon the approval of the Director of the Geological Survey of the area to be eliminated, promptly notify all parties affected thereby.

If conditions beyond the control of the Unit Operator require modification of the provisions of this subsection, such modification, if filed 90 days in advance of any provisions hereinabove specified, may be accomplished by consent of 90 percent of the current, unitized working interests and record interests, respectively, with approval of the Director.

If non-participating lands eliminated under this section are subsequently proved productive and determined to be a logical part of this unit area, the provisions of section 2 of this Agreement prescribing procedures for expansion of the area shall become applicable just as if such lands had never been a part of the unit. Reinclusion in the unit area of such lands shall not be considered automatic commitment or recommitment thereof.

23. CONFLICT OF SUPERVISION.

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

24. APPEARANCES.

Unit Operator shall, after notice to other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Department of the Interior, the Commissioner of Public Lands and the New Mexico Oil Conservation Commission and to appeal from orders issued under the regulations of said Department, the State Commission or State Commissioner, or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior, the State Commissioner or State Commission, or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his own expense to be heard in any such proceeding.

25. NOTICES.

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

26. NO WAIVER OF CERTAIN RIGHTS.

Nothing in this Agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the state wherein said unitized lands are located, or of the United States, or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

27. UNAVOIDABLE DELAY.

All obligations under this agreement requiring the Unit Operator to commence or continue drilling 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 agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

28. FAIR EMPLOYMENT.

The Unit Operator shall not discriminate against any employee or applicant for employment because of race, cried, color or national origin,and an identical provision shall be incorporated in all subcontract

29. 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 Unit Agreement, so that such tract is not committed to this Unit Agreement, or the operation thereof hereunder becomes impractical as a result thereof, 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 evsnt of a dispute as to title as 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 federal, Indian and State land or leases, no payments of funds due the United States, Indians or the State of New Mexico should be withheld, but such funds of the United States shall be deposited as directed by the Supervisor, and such funds of the State shall be deposited as directed by the State Commissioner, to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

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

30. NON-JOINDER AND SUBSEQUENT JOINDER.

If the owner of any substantial interest in a tract within the unit area fails or refuses to subscribe or consent to this Agreement, the owner of the working interest in that tract may withdraw said tract from this Agreement by written notice to the Director, the State Commissioner and the Unit Operator prior to the approval of this Agreement by the Director. Any such tract not so withdrawn shall be considered as unitized, and any necessary adjustments of royalty occasioned by failure of the royalty and record owner to join will be for the account

of the corresponding working interest owner. Any oil or gas interests in lands within the unit area not committed hereto prior to submission of this Agreement for final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this Agreement, and, if the interest is a working interest, by the owner of such interest also subscribing to the unit operating agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approvals, if any, pertaining to such joinder, as may be provided for in the unit operating agreement. After final approval hereof, joinder by a non-working interest owner must be consented to in writing by the working interest owner committed hereto and responsible for the payment of any benefits that may accrue hereunder in behalf of such non-working interest. Prior to final approval hereof, joinder by any owner of a non-working interest must be accompanied by appropriate joinder by the owner of the corresponding working interest in order for the interest to be regarded as effectively committed hereto. Except as may otherwise herein be provided, subsequent joinders to this Agreement shall be effective as of the first day of the month following the filing with the Supervisor, the State Commissioner and the State Commission of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this Agreement unless objection to such joinder is duly made within sixty (60) days by the Director, State Commissioner or State Commission.

31. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or 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 such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the abovedescribed unit area.

32. SURRENDER.

Nothing in this agreement shall prohibit the exercise by any working interest owner of the right to surrender vested in such party in any lease, sub-lease, or operating agreement as to all or any part of the lands covered thereby, provided that each party who will or might acquire such working interest by such surrender or by forfeiture as hereafter set forth, is bound by the terms of this agreement.

If as a result of any such surrender, the working interest rights as to such lands become vested in any party other than the fee owner of the unitized substances, said party shall forfeit such rights and no further benefits from operations hereunder as to said land shall accrue to such party, unless within ninety (90) days thereafter said party shall execute this agreement and the unit operating agreement as to the working interest acquired through such surrender, effective as though such land had remained continuously subject to this agreement and the unit operating agreement. And in the event such agreements are not so executed, the party next in the chain of title shall be and become the owner of such working interest at the end of such ninety (90) day period, with the same force and effect as though such working interest had been surrendered to such party.

If as the result of any such surrender or forfeiture the working interest rights as to such lands become vested in the fee owner of the unitized substances, such owner may:

(1) Execute this agreement and the unit operating agreement as a working interest owner, effective as though such land had remained continuously subject to this agreement and the unit operating agreement.

(2) Again lease such lands but only under the condition that the holder of such lease shall within thirty (30) days after such lands are so leased execute this agreement and the unit operating agreement, effective as though such land had remained continuously subject to this agreement and the unit operating agreement.

(3) Operate or provide for the operation of such land independently of this agreement as to any part thereof or any oil or gas deposits therein not then included within a participating area.

If the fee owner of the unitized substances does not execute this agreement and the unit operating agreement as a working interest owner or again lease such lands as above provided, within six (6) months after any such surrender or forfeiture, such fee owner shall be deemed to have waived the right to execute the unit operating agreement or lease such lands, and to have agreed, in consideration for the compensation hereinafter provided, that operations hereunder shall not be affected by such surrender.

For any period the working interest in any lands are not expressly committed to the unit operating agreement as the result of any such surrender or forfeiture, the benefits and obligations of operations accruing to such lands under this agreement and the unit operating agreement shall be shared by the remaining owners of unitized working interest in accordance with their respective participating working interest ownerships, and such owners of working interests shall compensate the fee owner of unitized substances in such lands by paying sums equal to the rentals, minimum royalties, applicable to such lands under the lease in effect when the lands were unitized, as to such participating area or areas.

Upon commitment of a working interest to this agreement and the unit operating agreement as provided in this section, an appropriate accounting and settlement shall be made, to reflect the retroactive effect of the commitment, for all benefits accruing to or payments and expenditures made or incurred on behalf of such surrendered working interest during the period between the date of surrender and the date of recommitment, and payment of any moneys found to be owing by such an accounting shall be made as between the parties then signatory to the unit operating agreement and this agreement within thirty (30) days after the recommitment. The right to become a party to this agreement and the unit operating agreement as a working interest owner by reason of a surrender or forfeiture as provided in this section shall not be defeated by the non-existence of a unit operating agreement and in the event no unit operating agreement is in existence and a mutually acceptable agreement between the proper parties thereto cannot be consummated, the Supervisor and State Commissioner may prescribe such reasonable and equitable agreement as they deem warranted under the circumstance.

Nothing in this section shall be deemed to limit the right or joinder of subsequent joinder to this agreement as provided elsewhere in this agreement. The exercise of any right vested in a working interest owner to reassign such working interest to the party

from whom obtained shall be subject to the same conditions as set forth in this section in regard to the exercise of a right to surrender.

OPERATOR

EL PASO NATURAL GAS COMPANY

Date:_____ By_____
Vice President

Attest:

Address: P. O. Box 1492
El Paso, Texas

_____
Assistant Secretary

WORKING INTEREST OWNERS

EL PASO NATURAL GAS COMPANY

Date:_____ By_____
Vice President

Attest:

Address: P. O. Box 1492
El Paso, Texas

_____
Assistant Secretary

THREE STATES NATURAL GAS COMPANY

Date:_____ By_____
President

Attest

Address: Tower Petroleum Building
Dallas, Texas

_____
Secretary

Date:_____

_____
J. GLENN TURNER

Address: 1711 Mercantile Bank Bldg.
Dallas, Texas

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF THREE STATES NATURAL GAS COMPANY, A DELAWARE CORPORATION, FOR APPROVAL OF THE CHACO UNIT AGREEMENT EMBRACING 45,998.49 ACRES, MORE OR LESS, IN TOWNSHIP 23 NORTH, RANGES 8 AND 9 WEST, SAN JUAN COUNTY, NEW MEXICO.

NO. 494

APPLICATION

Comes now THREE STATES NATURAL GAS COMPANY, a Delaware corporation, and would respectfully show the Commission as follows:

I.

That the Oil Conservation Commission of the State of New Mexico is authorized by an act of Legislature of the State of New Mexico (Chapter 72, Laws of 1935, as amended) to approve the operation and development of lands lying within the State of New Mexico in accordance with a unit plan of development and operation.

II.

That the unit area, approval of which is here sought, comprises the following lands situated in San Juan County, New Mexico, to-wit:

Township 23 North, Range 8 West, N.M.P.M.

Sections 1 through 36: All

Township 23 North, Range 9 West, N.M.P.M.

Sections 1 through 36: All

containing 45,998.49 acres, more or less.

III.

That preliminary approval of the proposed Unit Agreement, a copy of which is attached hereto and made a part of this Application for all purposes, is now pending before the U. S. Geological Survey of the United States Department of the Interior and before the Bureau of Indian Affairs of the United States

Department of the Interior, and that such preliminary approval is contemplated in the near future.

IV.

That Applicant is the owner and holder of a substantial portion of the working interest in and under the land sought to be embraced by the proposed Unit Agreement.

V.

That the proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

VI.

Premises considered, Applicant earnestly prays that the requisite notice issue and that the petition be set down for hearing and approval at an early date at the convenience of the Commission.

TURNER, ATWOOD, WHITE, MCLANE AND FRANCIS

William G. Wise

Attorneys for Petitioner

1711 Mercantile Bank Building
Dallas, Texas