Case No.

7183

Application

Transcripts

Small Exhibits

ETC

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
2 July 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company for amendment of Division Order No. R-6382, Lea County, New Mexico. CASE 7283

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	W. Perry Pearce, Esq. Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501
For the Applicant:	Robert H. Strand, Esq. HEYCO Roswell, New Mexico 88201

I N D E X

THOMAS J. HALL III

Direct Examination by Mr. Strand 4

Cross Examination by Mr. Stamets 6

E X H I B I T S

Applicant Exhibit One, Ratifications 5

Applicant Exhibit Two, Ratifications 5

MR. STAMETS: We will call next Case 7283.

MR. PEARCE: Application of Harvey E. Yates Company for amendment of Division Order No. R-6382, Lea County, New Mexico.

(Witness sworn.)

MR. STRAND: Mr. Examiner, Robert H. Strand, attorney from Roswell, appearing for the applicant.

When this particular case requesting an amendment of Order No. R 6382, which was entered on June 18th, 1980, approving the McDonald Exploratory Unit, located in Lea County, New Mexico, the terms of that order provided that the order would become effective upon ratification by 75 percent of the royalty owners under the unit and 75 percent of the working interest owners.

I might add that this was a 100 percent fee acreage unit, and that is the reason for the somewhat different order of approval that was entered.

We have received more than 75 percent ratification from both royalty and working interest owners and the purpose of this application is to amend Order No. R-6382 to provide that it becomes effective as of June 1st,

1981, and this will have the effect, then, of making the unit agreement also effective as of that date.

And I have one witness, Mr. Joel Hall.

THOMAS J. HALL, III

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. STRAND:

Q. Please state your full name.

A. Thomas J. Hall, III.

Q. Mr. Hall, what is your position with the applicant, Harvey E. Yates Company?

A. I'm an attorney for Harvey E. Yates Company.

Q. Mr. Hall, are you familiar with the application we have made in Case Number 7283?

A. I am.

Q. Are you also familiar with Order No. R-6382?

A. Yes sir.

Q. And are you familiar -- are you familiar with the McDonald Unit agreement and unit operating agreement?

A. I am.

Q. Mr. Hall, as of June 1st, 1981, have more than 75 percent of the royalty and working interest owners ratified this unit agreement?

A. They had.

Q. In round figures what were the percentages of ratification at that time?

A. The ratification of royalty interests were 92.5 percent and of the working interest owners it was better than 98 percent.

Q. Mr. Hall, I refer you to Exhibit Number One, which is a copy of the ratifications of the unit agreement by royalty owners. Are you familiar with those?

A. Yes, sir.

Q. And those are ratifications that you have just testified as to the percentage?

A. They are, yes, sir.

Q. Also, with reference to Exhibit Number Two, which are ratifications by the working interest owners, have you also reviewed those?

A. I have.

Q. And they represent the percentage of unit ownership which you have just testified to?

A. They represent all of the working interest

owners.

Q. Mr. Hall, have these working interest owners to your knowledge also ratified or executed the unit operating agreement, which goes with the unit agreement?

A. They have.

MR. STRAND: I have nothing further, Mr. Stamets.

CROSS EXAMINATION

BY MR. STAMETS:

Q. Mr. Hall, what was the effective date on the sign-ups that you testified to?

A. They -- they came in at various times, Mr. Examiner, which is the reason we were asking for a June 1st date to be established.

Q. But now you indicated 92-1/2 percent and 98 percent. Was that as of June 1?

A. That is as of this date. We had better than 75 percent as of -- as of June 1. The -- we received the last one this morning of the working interest owners.

Q. Okay. For purposes of administration, or whatever, you need an effective date.

A. We need an effective date, yes, sir.

Q. Okay.

MR. STAMETS: Any other questions of the witness? He may be excused.

Anything further in this case?

The case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7283 heard by me on 7-2-81, 19___.

Richard V. Stamets, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date JULY 2, 1981 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
L.O. Van Ryan	Southland Royalty Co	Farmington, NM
John Zent	Southland Royalty Co.	Denver, CO
William F. Carr	Campbell, Byrd and Black, P.A.	Santa Fe
W.T. Kellahin	Kellahin & Kellahin	Santa Fe
G. Burke	Supron Energy	Dallas Tx
Jerry L. Lee	SUPRON ENERGY	"
Paul W. Burchell	El Paso Natural Gas Co	El Paso
T Calvin Eggert Jr.	Texaco Inc	Midland Tx
C.D. Kalteyer	Gulf Oil Corp	Houston, Tx.
Joseph Soltz	Gulf Oil Corp	
Doug R Hoppe	Montgomery Andrews	Santa Fe, NM
Bob Strand	Harvey E. Yates Co	Roswell NM
Charles Wells	Texaco	Midland
Ken Bateman	White Koch Kelly & McCarthy	Santa Fe.
K J Isaacs	Dome Petroleum	Denver
Bob Fuller	Byram	Santa Fe
WEBB McDANIEL	TEXACO	MIDLAND, TX

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date JULY 2, 1981 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
George A. Hunker Jr.	Hunker, Feldt PA	Roswell, NM
Mary E. Curry	Curry Brown & J.C. Williamson	Midland, Texas
HENRY LUCCOCK	U.S.G.S.	ALBUQ
Marcia Keefer	U.S.G.S.	ALBUQ
Ray Hammack	Southern Union Exploration Co.	Dallas
James G. Ell	Southern Union Exploration	Dallas
Mark K. Adams	Rodey Law Firm - representing Southern Union Exploration of Texas	Albuquerque
Michael L. Davis	Southern Union Expl.	Dallas
Jeff Edmister	NMOCD	Aztec
Chad Dickerson	Lowe Corp. & Dickerson	Artesia
Janet Moran	Yates Petroleum Corp.	Artesia
James T. Mason	Yates Pet	Farmington NM
Gregory Merrion	Merrion & Bayless	SANTA FE
JAMES W. LAIN	STATE LAND OFFICE	Denver, CO
Michael J. Fuchs	Dome Petroleum Corp.	Albuquerque, N.M.
Victor Salazar	Self & Kimbell Oil Co.	Albuquerque, N.M.
John M. Warren	WARREN, Inc.	

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
2 July 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company for amendment of Division Order No. R-6382, Lea County, New Mexico. CASE 7283

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	W. Perry Pearce, Esq. Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501
For the Applicant:	Robert H. Strand, Esq. HEYCO Roswell, New Mexico 88201

I N D E X

THOMAS J. HALL III

Direct Examination by Mr. Strand 4

Cross Examination by Mr. Stamets 6

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Applicant Exhibit One, Ratifications 5

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MR. PEARCE: Application of Harvey E. Yates Company for amendment of Division Order No. R-6382, Lea County, New Mexico.

(Witness sworn.)

MR. STRAND: Mr. Examiner, Robert H. Strand, attorney from Roswell, appearing for the applicant.

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And I have one witness, Mr. Joel Hall.

THOMAS J. HALL, III

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. STRAND:

Q. Please state your full name.

A. Thomas J. Hall, III.

Q. Mr. Hall, what is your position with the applicant, Harvey E. Yates Company?

A. I'm an attorney for Harvey E. Yates Company.

Q. Mr. Hall, are you familiar with the application we have made in Case Number 7283?

A. I am.

Q. Are you also familiar with Order No. R-6382?

A. Yes sir.

Q. And are you familiar -- are you familiar with the McDonald Unit agreement and unit operating agreement?

A. I am.

Q. Mr. Hall, as of June 1st, 1981, have more than 75 percent of the royalty and working interest owners ratified this unit agreement?

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Q. Okay. For purposes of administration, or whatever, you need an effective date.

A. We need an effective date, yes, sir.

Q. Okay.

MR. STAMETS: Any other questions of the witness? He may be excused.

Anything further in this case?

The case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. ____, heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5 day of September, 1980.

WITNESS:

HENRY D. LINDSLEY III

CHANDLER LINDSLEY, his wife.

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 5th day of September, 1980, by HENRY D. LINDSLEY III and CHANDLER LINDSLEY, his wife.

My Commission Expires:

6-30-84

Notary Public

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 4
CASE NO. 7283
Submitted by Applicant
Hearing Date 9/2/81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

Barbara D Hendrix

John R. Fitzgerald

JOHN R. FITZGERALD, Individually and as Executor of the Estate of Vestal Gertrude Fitzgerald, deceased

STATE OF Texas)
) ss
COUNTY OF Cameron)

The foregoing instrument was acknowledged before me this 31st day of July, 1980, by JOHN R. FITZGERALD, Individually and as Executor of the Estate of Vestal Gertrude Fitzgerald, deceased.

My Commission Expires:

6-4-81

Janet G. Aguirre
Notary Public

Janet G. Aguirre, Notary Public
In and For Cameron County, Texas
My Commission expires 6-4-81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

Nancy Cooper

Helen H. Lea
HELEN H. LEA

STATE OF Texas)
) ss
COUNTY OF Travis)

The foregoing instrument was acknowledged before me this 31st day of July, 1980, by HELEN H. LEA.

My Commission Expires:

6/30/84

David Bounds
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31d day of September, 1980.

WITNESS:

_____

Etta M. Brooks
ETTA M. BROOKS

STATE OF Virginia)
) SS
COUNTY OF Henrico)

The foregoing instrument was acknowledged before me this 3rd day of September, 1980, by ETTA M. BROOKS.

My Commission Expires:

11-29-81

M. C. Lyford
(Comm as M. C. Hine)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12th day of August, 1980.

WITNESS:

_____

EVELYN R. BROOKS

STATE OF California)
) ss
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by EVELYN R. BROOKS.

My Commission Expires:

6-2-82

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Gladys Terrell
GLADYS TERRILL

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by GLADYS TERRILL.

My Commission Expires:

June 30, 1984

Lucille Boase (Lucille Boase)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Bruce T. Pearson
BRUCE T. PEARSON

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by BRUCE T. PEARSON.

My Commission Expires:

June 30, 1984

Lucille Boase (Lucille Boase)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2nd day of August, 1980.

WITNESS:

J. Charlotte Wheaton

Allyne S. Carter

ALLYNE S. CARTER, Individually and as Trustee U/W of J. W. Carter, deceased

STATE OF California)
) ss
COUNTY OF Los Angeles)

The foregoing instrument was acknowledged before me this 2nd day of August, 1980, by ALLYNE S. CARTER, Individually and as Trustee U/W of J. W. Carter, deceased.

My Commission Expires:

J. CHARLOTTE WHEATON
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires Nov. 27, 1983

J. Charlotte Wheaton
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 28 day of August, 1980.

WITNESS:

Karen Ford

Alfred Wayne Langham
ALFRED WAYNE LANGHAM

STATE OF Georgia)
) ss
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 28th day of August, 1980, by ALFRED WAYNE LANGHAM.

My Commission Expires:

Notary Public, Richmond County, Georgia
My Commission Expires October 11, 1981.

Gerald C. Cooke
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2nd day of September, 1980.

WITNESS:

Vickie Hoag

Patricia Diane Langham
PATRICIA DIANE LANGHAM

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 2nd day of September, 1980, by PATRICIA DIANE LANGHAM.

My Commission Expires:

2-6-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31 day of July, 1980.

WITNESS:

Lavina Lee Clark

Maria Yolanda Lara

JAMES J. LANEY

Jean M. Laney

JEAN M. LANEY, his wife

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by JAMES J. LANEY and JEAN M. LANEY, his wife.

My Commission Expires:

July 31, 1984

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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EXECUTED this 5th day of August, 1980.

WITNESS:

_____

Lorna G. Overbey
LORNA G. OVERBEY

STATE OF S. Dakota)
) ss
COUNTY OF S. Dakota)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by LORNA G. OVERBEY.

My Commission Expires:

9-3-83

S. Dakota Gayletti
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

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EXECUTED this 5th day of August, 1980.

WITNESS:

J. M. HEWGLEY, JR.

ILEEN ROONEY HEWGLEY, his wife

STATE OF Oklahoma)
) ss
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by J. M. HEWGLEY, JR., and EILEEN ROONEY HEWGLEY, his wife.

My Commission Expires:

1-22-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of Sept., 1980.

WITNESS:

E. L. Adams

Velma Earley

DANIEL W. VAREL

Barbara A. Varel

BARBARA A. VAREL, his wife

STATE OF Texas)
) $$
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 5th day of Sept., 1980, by DANIEL W. VAREL and BARBARA A. VAREL, his wife.

My Commission Expires:

9-18-81

C. E. Fletcher

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8 day of August, 1980.

WITNESS:

Evelyn Bagwell

Buster C. Hathcock

BUSTER C. HATHCOCK

467-32-9741

STATE OF Texas)
) ss
COUNTY OF Eastland)

8 The foregoing instrument was acknowledged before me this day of August, 1980, by BUSTER C. HATHCOCK.

My Commission Expires:

2-28-81

Audrey Rose
Notary Public

Audrey Rose
Notary Public
Eastland County, Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____ Jesse C. Hathcock
JESSE C. HATHCOCK

STATE OF Texas)
) ss
COUNTY OF Eastland)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by JESSE C. HATHCOCK.

My Commission Expires:

June 10, 1981

Virginia Ewing
Notary Public

Virginia Ewing
Notary Public
Eastland County, Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

John T. Hathcock
JOHN T. HATHCOCK

STATE OF NORTH DAKOTA)
) ss
COUNTY OF MORTON)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by JOHN T. HATHCOCK.

My Commission Expires:
MARILYN A. JENSEN
Notary Public, MORTON CO., N. DAK.
My Commission Expires MARCH 14, 1985

Marilyn A. Jensen
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of August, 1980.

WITNESS:

Martha Bartolowits

Mary Ann Guess
MARY ANN GUESS

STATE OF Texas)
) ss
COUNTY OF Jarvant)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by MARY ANN GUESS.

My Commission Expires:

4-11-81

Judy Reed
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of August, 1980.

WITNESS:

Mitzie Hemingway

Bud Brooks
BUD BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 22 day of August, 1980, by BUD BROOKS.

My Commission Expires:

April 29, 1981

Edith Jones
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Kathleen S Cunningham

Joy Hathcock Key

JOY HATHCOCK KEY

STATE OF Florida)
) ss
COUNTY OF Dade)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by JOY HATHCOCK KEY.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES NOVEMBER 4 1980

Kay Miller

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 19th day of August, 1980.

WITNESS:

John Du House

Nelda Fay Brooks House
NELDA FAY BROOKS HOUSE

STATE OF Okla.)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 19th day of August, 1980, by NELDA FAY BROOKS HOUSE.

My Commission Expires:

11-17-82

Bill D. Layton
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

Lucy Hair

Cora May Brooks
CORA MAY BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by CORA MAY BROOKS.

My Commission Expires:

April 29, 1981

Edith Lucas
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of Aug., 1980.

WITNESS:

_____

LENA BROOKS REILLY

STATE OF California)
) ss
COUNTY OF Fresno)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by LENA BROOKS REILLY.

My Commission Expires:

_____

Notary Public

Lowell E. Carlson
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
FRESNO COUNTY
My Commission Expires Sept. 28, 1981

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of September, 1980.

WITNESS:

_____

Clair Brooks Arthurs
CLAIR BROOKS ARTHURS

STATE OF California)
) ss
COUNTY OF Fresno)

The foregoing instrument was acknowledged before me this 15th day of September, 1980, by CLAIR BROOKS ARTHURS.

My Commission Expires:

December 7, 1982

Sandra K. Bruce
Notary Public

OFFICIAL SEAL
SANDRA K. BRUCE
NOTARY PUBLIC - CALIFORNIA
FRESNO COUNTY
My comm. expires DEC 7, 1982

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14th day of July, 1980.

WITNESS:

_____

_____
CORA BROOKS GAULT

STATE OF _____)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 14th day of July, 1980, by CORA BROOKS GAULT.

My Commission Expires:

_____

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

ATTEST:

Secretary

ACOMA OIL CORPORATION

By: W. Earl Hunt Jr.
President

STATE OF Minnesota)
) ss
COUNTY OF Hennepin)

The foregoing instrument was acknowledged before me this 8 day of August, 1980, by W. Earl Hunt Jr., President of ACOMA OIL CORPORATION, a Minnesota Corporation, on behalf of said corporation.

My Commission Expires:

Frances M. Stiles
Notary Public

FRANCES M. STILES
NOTARY PUBLIC - MINNESOTA
WASHINGTON COUNTY
My Commission Expires Aug. 10, 1985

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of Aug., 1980.

WITNESS:

Katheryn D. Bartley
KATHERYN D. BARTLEY

STATE OF _____)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 6 day of _____, 1980, by KATHERYN D. BARTLEY.

My Commission Expires:

_____

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

Verna P. Roberts
VERNA P. ROBERTS

STATE OF Texas)
) ss
COUNTY OF Lubbock)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by VERNA P. ROBERTS.

My Commission Expires:

2-21-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of The McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 20 day of August, 1980.

WITNESS:

Greg Rees

Myrtle Brooks Hemingway

MYRTLE BROOKS HEMINGWAY

STATE OF Oklahoma)
) SS
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 20 day of August, 1980, by MYRTLE BROOKS HEMINGWAY.

My Commission Expires:

April 29, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2ND day of August, 1980.

WITNESS:

Gyola Brooks Melton
GYOLA BROOKS MELTON

STATE OF Arizona)
) ss
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this 2nd day of August, 1980, by GYOLA BROOKS MELTON.

My Commission Expires:

12-13-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

_____ Elvin Lewis
ELVIN LEWIS

_____ Opal Lewis
OPAL LEWIS, his wife

STATE OF New Mexico)
) ss
COUNTY OF Sierra)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by ELVIN LEWIS and OPAL LEWIS, his wife.

My Commission Expires: 1/21/84

_____ Judy Watkins
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

WITNESS:

M. J. Ledbetter

Edna R. Ashton
EDNA R. ASHTON

STATE OF OKLAHOMA)
) ss
COUNTY OF PAYNE)

The foregoing instrument was acknowledged before me this 18th day of August, 1980, by EDNA R. ASHTON.

My Commission Expires:

October 15, 1980

Bernice Findley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of September 1980.

WITNESS:

Donna Kay Schaaf

~~HAROLD B. DENTON~~ MICHAEL G. DENTON*

Donna Kay Schaaf

PAULINE DENTON, ~~his wife~~

STATE OF TEXAS)
) ss
COUNTY OF Dallas)

19th The foregoing instrument was acknowledged before me this day of September, 1980, by ~~HAROLD B. DENTON~~ and PAULINE DENTON, ~~his wife~~. MICHAEL G. DENTON*

My Commission Expires:

2-23-81

Notary Public

DeLYLA A. KESSEL, Notary Public
In and for Dallas County, Texas
My commission expires February 23, 1981

*PERSONAL REPRESENTATIVE OF
THE ESTATE OF HAROLD B. DENTON,
DECEASED

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest. ***

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of August, 1980.

***** This instrument has been executed by James A. Foster, Jr., and Joyca Foster with the understanding that the terms of the Unit Agreement referred to therein do not apply to any existing production on the lands covered thereby.**

WITNESS:

JAMES A. FOSTER, JR.

JOYCA FOSTER

STATE OF [illegible])
) ss
COUNTY OF [illegible])

The foregoing instrument was acknowledged before me this 21 day of August, 1980, by JAMES A. FOSTER, JR., and JOYCA FOSTER.

My Commission Expires:

4-8-82

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5 day of August, 1980.

WITNESS:

Mrs. M.C. Gandy

Virginia Mae Gilchrist
VIRGINIA MAE GILCHRIST

STATE OF New Mexico)
) SS
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 5 day of August, 1980, by VIRGINIA GILCHRIST.

My Commission Expires:

July 14 1982

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Patricia Thomason

Lawrence M. Jones

Howard Gilchrist
HOWARD GILCHRIST

Vada Gilchrist
VADA GILCHRIST, his wife

STATE OF NEW MEXICO)
) ss
COUNTY OF LEA)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by HOWARD GILCHRIST and VADA GILCHRIST, his wife.

My Commission Expires:

May 14, 1983

Debra Lamunyon
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

WITNESS:

Hoyt M. Roy
HOYT M. ROY

H. P. Roy
H. P. ROY, her husband

STATE OF New Mexico)
) ss
COUNTY OF Chaves)

The foregoing instrument was acknowledged before me this 18th day of August, 1980, by HOYT M. ROY and H. P. ROY, her husband.

My Commission Expires:

1-13-82

Florence B. Garnett
Notary Public

OFFICIAL SEAL
Signature Florence B. Garnett
FLORENCE B. GARNETT
NOTARY PUBLIC NEW MEXICO
Notary Bond Filed with Secretary of State
My Commission Expires: 1-13-82

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30th. day of July, 1980.

WITNESS:

Byrel A. Moore
BYREL A. MOORE

Elizabeth Moore
ELIZABETH MOORE, his wife

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 30th. day of July, 1980, by BYREL A. MOORE and ELIZABETH MOORE, his wife.

My Commission Expires:

My Commission Expires June 30, 1982.

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22nd day of September, 1980.

WITNESS:

ALTA LEE GLIDEWELL

JOE GLIDEWELL, her husband

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1980, by ALTA LEE GLIDEWELL and JOE GLIDEWELL, her husband.

My Commission Expires:

_____

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 27th day of August, 1980.

WITNESS:

Gregory Lynn Deevers
GREGORY LYNN DEEVERS

STATE OF OKLAHOMA)
) SS
COUNTY OF GARVIN)

The foregoing instrument was acknowledged before me this 27th day of August, 1980, by GREGORY LYNN DEEVERS.

My Commission Expires:

12-20-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2nd day of Dec., 1980.

WITNESS:

Lucille F. McKinley
LUCILLE F. McKINLEY

W.H. McKinley
W.H. McKINLEY, her husband

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 2nd day of Dec., 1980, by LUCILLE F. McKINLEY and W.H. McKINLEY, her husband.

My Commission Expires:

7-8-83

Brian Chapman
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

Jee O. Wells

x Betty Monroe

Randall T. Montgomery
RANDALL T. MONTGOMERY

Mildred M. Montgomery
MILDRED M. MONTGOMERY, his wife

STATE OF New Mex)
COUNTY OF Montgomery) ss

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by RANDALL MONTGOMERY and MILDRED M. MONTGOMERY, his wife.

My Commission Expires:

Oct. 18, 1980

Jee O. Wells
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2 day of September, 1980.

WITNESS:

_____

Leon Hemann
LEON O. HEMANN

_____

Betty M. Hemann
BETTY M. HEMANN, his wife

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 2 day of September, 1980, by LEON O. HEMANN and BETTY M. HEMANN, his wife.

My Commission Expires:

February 28, 1981

Joyce A. Foster
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 13th day of August, 1980.

WITNESS:

_____

_____

Richard R. Pettigrew
RICHARD R. PETTIGREW

Doris M. Pettigrew
DORIS M. PETTIGREW, ~~his~~ wife

STATE OF New Mexico)
) ss
COUNTY OF Curry)

The foregoing instrument was acknowledged before me this 13 day of August, 1980, by RICHARD R. PETTIGREW and DORIS M. PETTIGREW, his wife.

My Commission Expires:

MY COMMISSION EXPIRES AUG. 19, 1983

Helen Kelley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

Travis Denton
TRAVIS DENTON

Tressie Denton
TRESSIE DENTON, his wife

STATE OF Texas)
) ss
COUNTY OF Howard)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by TRAVIS DENTON and TRESSIE DENTON, his wife.

My Commission Expires:

ENID L. HAMBY
Notary Public in and for
Howard County, Texas
My commission expires 10-1-

Enid L. Hamby
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18 day of August, 1980.

WITNESS:

_____

Iona McClish
IONA MCCLISH

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 18 day of August, 1980, by IONA MCCLISH.

My Commission Expires:

February 28, 1981

Lucy C. Foster
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

H. H. TRACY

AUDREY P. TRACY, his wife

STATE OF Louisiana)
Parish) ss
~~COUNTY~~ OF Catahoula)

The foregoing instrument was acknowledged before me this 8th day of Aug, 1980, by H. H. TRACY and AUDREY P. TRACY, his wife.

My Commission Expires:

At Death

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of August, 1980.

WITNESS:

Vallie Humphries
VALLIE HUMPHRIES

J. D. Humphries
J. D. HUMPHRIES, her husband

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 1st day of Aug., 1980, by VALLIE HUMPHRIES and J. D. HUMPHRIES, her husband.

My Commission Expires:

April 18, 1983

Notary Public

OFFICIAL SEAL
SHARON BROWN
NOTARY PUBLIC - NEW MEXICO
NOTARY BONDED WITH SECRETARY OF STATE
My Commission Expires April 18, 1983

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30th day of July, 1980.

WITNESS:

Evelyn B. Walton
EVELYN B. WALTON

STATE OF NEW MEXICO)
) ss
COUNTY OF DONA ANA)

The foregoing instrument was acknowledged before me this 30th day of July, 1980, by EVELYN B. WALTON.

My Commission Expires:

February 15, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

_____

Edgar Meroney Jr
EDGAR MERONEY, JR.

STATE OF Arizona)
) ss
COUNTY OF Yavapai)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by EDGAR MERONEY, JR.

My Commission Expires:

My Commission Expires Jan. 6, 1984

Vera B Gannon
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 13 day of August, 1980.

ATTEST:

Ray Wilson
Secretary

TATUM INDEPENDENT SCHOOL DISTRICT

By: J. Jane Jones
President

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 13 day of August, 1980, by Ray Wilson and J. Jane Jones, President of the TATUM INDEPENDENT SCHOOL DISTRICT, on behalf of said District.

My Commission Expires:

July 19, 1984

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1 day of December, 1980.

WITNESS:

Opal Meroney Storkman
OPAL MERONEY STORKMAN

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 4 day of December, 1980, by OPAL MERONEY STORKMAN.

My Commission Expires:

_____

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4 day of September, 1980.

WITNESS:

Ann Pierce

PAULINE BURNETT

STATE OF [illegible])
) ss
COUNTY OF [illegible])

The foregoing instrument was acknowledged before me this 4 day of September, 1980, by PAULINE BURNETT.

My Commission Expires:

6-30-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14th day of August, 1980.

WITNESS:

Patricia L. Fulwider
Patricia L. Fulwider

Thelma A. Meroney
THELMA A. MERONEY

STATE OF TEXAS)
) ss
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 14th day of August, 1980, by THELMA A. MERONEY.

My Commission Expires:

My Commission Expires May 15, 1981

Virginia Holley, Notary Public
Tarrant County, Texas

Virginia Holley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30 day of July, 1980.

WITNESS:

ANN MERONEY ROBINSON

STATE OF Texas)
) ss
COUNTY OF Tarrant)

The foregoing instrument was acknowledged before me this 30 day of July, 1980, by ANN MERONEY ROBINSON.

My Commission Expires:

June 8, 1981

Notary Public

WANDA O'LEARY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of August, 1980.

WITNESS:

Effie C. Wilson
EFFIE C. WILSON

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 12 day of August, 1980, by EFFIE C. WILSON.

My Commission Expires:

_____

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31 day of July, 1980.

WITNESS:

Sherry K. Young

Susie Lee Carrell
SUDIE LEE CARRELL

STATE OF Texas)
) ss
COUNTY OF Potter)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by SUDIE LEE CARRELL.

My Commission Expires:

6-26-81

Bessie Ivy
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 9th day of February, 1980.

WITNESS:

Ruth Thomas

Roy Brooks
ROY BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Oklahoma)

The foregoing instrument was acknowledged before me this 9th day of February, 1980, by ROY BROOKS.

My Commission Expires:

November 30, 1983

Dixie Lenigo
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of February, 1980 1981.

WITNESS:

_____

_____

HAROLD L. BRIDGEFORTH

_____

DELORES W. BRIDGEFORTH, his wife

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7th day of February, 1980, by HAROLD L. BRIDGEFORTH and DELORES W. BRIDGEFORTH, his wife.

My Commission Expires:

April 17 1981

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of February, 1981.

WITNESS:

Norma J. Hayes

Dorothy P. Mack
DOROTHY P. MACK

STATE OF Calif.)
) ss
COUNTY OF San Diego)

The foregoing instrument was acknowledged before me this 6 day of February, 1981, by DOROTHY P. MACK.

My Commission Expires:

10-05-84

Norma J. Hayes
Notary Public

OFFICIAL SEAL
NORMA J. HAYES
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Expires October 5, 1984

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of January, 1981.

WITNESS:

J C Mesa

Joe A McDonald
JOE A. MCDONALD, sole surviving heir of Olivia McDonald

STATE OF [illegible])
) ss
COUNTY OF [illegible])

The foregoing instrument was acknowledged before me this 21 day of January, 1981, by JOE A. MCDONALD as sole surviving heir of Olivia McDonald.

My Commission Expires:

2-1-82

E J Hahn
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 17th day of January, ~~1980~~ 1981.

WITNESS:

Mary Conner

Otis J. Roach
OTIS J. ROACH

STATE OF Texas)
) ss
COUNTY OF Jasper)

The foregoing instrument was acknowledged before me this 17th day of January, ~~1980~~ 1981, by OTIS J. ROACH.

My Commission Expires:

2-25-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of January, 1981.

WITNESS:

James M. Olsen

Joseph L. Ingram

Tom L. Ingram
TOM L. INGRAM

Joan L. Ingram
JOAN L. INGRAM, his wife

STATE OF New Mexico)
) ss
COUNTY OF Chaves)

The foregoing instrument was acknowledged before me this 15th day of January, 1981, by TOM L. INGRAM and JOAN L. INGRAM, his wife.

My Commission Expires:

October 21, 1984

Margaret P. Cochran
Notary Public

OFFICIAL SEAL
Margaret P. Cochran
MARGARET P. COCHRAN
NOTARY PUBLIC - NEW MEXICO
FILED WITH SECRETARY OF STATE
10/21/84

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14 day of January, ~~1980~~ 1981.

WITNESS:

H. T. Turnbull

Dorothy M. Street
DOROTHY M. STREET, Agent and Attorney-in-Fact for Maude P. Stovall, a widow.

STATE OF Texas)
) ss
COUNTY OF Young)

The foregoing instrument was acknowledged before me this 14th day of January, ~~1980~~ 1981, by DOROTHY M. STREET, Agent and Attorney-in-Fact for Maude P. Stovall, a widow.

My Commission Expires:

2/18/81

Barbara Freeman
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 16th day of June, 1981.

ATTEST:

PENNZOIL COMPANY

APPROVED 15

_____
Secretary

James T. Goodwyn, Jr.
Agent and Attorney-in-Fact

STATE OF TEXAS)
) SS
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 16th day of June, 1981, by James T. Goodwyn, Jr., Agent and Attorney-in-Fact, of PENNZOIL COMPANY, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

March 20, 1984

Notary Public

KAREN STACK

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 16th day of June, 1981.

ATTEST:

PENNZOIL COMPANY

APPROVED
16

_____
Secretary

James T. Goodwyn, Jr.
Agent and Attorney-in-Fact

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 16th day of June, 1981, by James T. Goodwyn, Jr., Agent and Attorney-in-Fact of PENNZOIL COMPANY, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

March 20, 1984

Notary Public

KAREN STACE

BOOK 331 PAGE 466

32716

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

OIL & GAS LEASE

THIS AGREEMENT made this 30th day of July, 1980, between

J. Hugh Liedtke and wife, Betty Lyn Liedtke

P. O. Box 2967, Houston, Texas 77001

(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of one years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4th of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4th of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4th of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to the amount of the rental provided for in this lease for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. Price shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of *See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Texas Commerce Bank at Houston, Texas 77001, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made, provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which is the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the average covered hereby is reduced by said release or releases.

*12. There are no rentals due on this lease. Depository bank is inserted solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

Betty Lyn Liedtke

J. Hugh Liedtke
(Soc. Sec. No. 447-12-8283)

Betty Lyn Liedtke
(Soc.Sec.No. 446-36-3285)

STATE OF TEXAS
County of HARRIS

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of August, 1980 by J. Hugh Liedtke and wife, Betty Lyn Liedtke

CYNTHIA S. McMAHAN
Notary Public in Harris County
for the State of Texas
My Commission Expires July 23, 1981

My Commission expires July 23, 19 81. Cynthia S. McMahan
Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____ by ____

My Commission expires ____, 19____. Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____ by ____

My Commission expires ____, 19____. Notary Public

STATE OF ____
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____ by ____

My Commission expires ____, 19____. Notary Public

No. 32716

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date ____, 19____
Section ____, Township ____, Range ____
No. of Acres ____
____ County, New Mexico
Term ____

STATE OF NEW MEXICO
COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 7th day of August, A. D., 1980, at 1:55 o'clock P. m., and was duly recorded in Book 331 at Page 466 of the Records of said County.

Witness my hand and seal of said County.
Jane Kennedy
County Clerk.
By Jane Kennedy
Deputy.

STATE OF NEW MEXICO
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____
by ____, ____ President
of ____ a ____ corporation
on behalf of said corporation.

My Commission Expires: ____ Notary Public

STATE OF ____
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____
by ____, ____ President
of ____ a ____ corporation
on behalf of said corporation.

My Commission Expires: ____ Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

29023 BOOK 329 PAGE 345

OIL & GAS LEASE

THIS AGREEMENT made this 6th day of August, 19 80, between

L. Dene Stephens and wife, Johnnie M. Stephens

of

(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, New Mexico 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 13 South, Range 36 East, N.M.P.M.

Section 34: N/2 SW/4 & SE/4 SW/4

$1.00 per net acre

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 120.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of one years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to [redacted] for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $*See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bosque County Bank at *Meridian, Texas 76665, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. No rentals are due on this lease; name and address of depository bank are inserted herein solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

X Johnnie M. Stephens
Johnnie M. Stephens

X L. Dene Stephens
L. Dene Stephens

BOOK 329 PAGE 346

TEXAS

STATE OF [redacted]

County of Hopkins

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 15th day of August, 19 80 by L. Dene Stephens and wife, Johnnie M. Stephens

My Commission expires 6-30-84, 19____.

(Carl S Bruce) Carl S. Bruce
Notary Public in Hopkins Co. for the State of Texas

STATE OF NEW MEXICO,

County of_____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

STATE OF NEW MEXICO,

County of_____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

STATE OF _____

County of_____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

No. 29023

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date_____, 19____

Section_____, Township_____, Range_____

No. of Acres _____

Term _____

STATE OF NEW MEXICO
COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 20 day of August, A. D., 19 80 at 2:45 o'clock P. m., and was duly recorded in Book 329 at Page 345 of the Records of said County.

Witness my hand and seal of said County.

County Clerk.

By Ruth Keeth
Deputy.

STATE OF NEW MEXICO

County of_____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____

by_____, _____ President

of_____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____

Notary Public

STATE OF [redacted]

County of_____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____

by_____, _____ President

of_____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____

Notary Public

Producer's 88—(Producer's Revised 1980) ...ew Mexico) Form 342Y-1

27033 94P BOOK 328 PAGE 585

OIL & GAS LEASE

THIS AGREEMENT made this 1st day of July 19 80 between

Terry Lynn Buford (a/k/a Terry Lynn Brooks), and Julie Ann Brooks Kline, both married persons dealing in their sole and separate property,

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, New Mexico 88201 lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: Southwest One-Quarter (SW/4)

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 3/16 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 3/16 of the gas used, provided that on gas sold on or off the premises the royalty shall be 3/16 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to ~~the amount of delay rentals provided for in this lease~~ for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

$1.00 per net acre

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of *See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the _____ Bank at _____, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. This is a paid-up lease and all rentals are paid in full for the term of the lease. Name of depository bank is inserted herein solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

Terry Lynn Buford

(Social Security No. 445-60-5131)

Julie Ann Brooks Kline

(Social Security No. 445-61-2454)

BOOK 328 PAGE 586

STATE OF [redacted] OKLAHOMA

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 6th day of July, 19 80 by Terry Lynn Buford (a/k/a Terry Lynn Brooks), a married man dealing in his sole and separate property.

My Commission expires June 16, 1984

Sherry D. Williamson
Notary Public

STATE OF [redacted] OKLAHOMA

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 6th day of July, 19 80 by Julie Ann Brooks Kline, a married woman dealing in her sole and separate property

My Commission expires June 16, 1984

Sherry D. Williamson
Notary Public

STATE OF NEW MEXICO

County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____.

Notary Public

STATE OF _____

County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____.

Notary Public

No. 27033

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

_____ County, New Mexico

Term _____

STATE OF NEW MEXICO
COUNTY OF _____

I hereby certify that this instrument was filed for record on the 10th day of July, A. D., 19 80 at 11:15 o'clock A.M., and was duly recorded in Book 328 at Page 585 of the Records of said County.

Witness my hand and seal.

Irene Tyree Chisum
County Clerk.

By Pam Shultz
Deputy.

STATE OF NEW MEXICO

County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

Notary Public

3750

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

BOOK 338 PAGE 140

OIL & GAS LEASE

8547

THIS AGREEMENT made this 30th day of March, 1981, between

Edward Brett Lea and wife, Suzanne Lea

of

(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for

Months

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~five (5) years~~ from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal [redacted] the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ * see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bank at , which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated, thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Suzanna Lea
Suzanne Lea
455-80-1029

Edward Brett Lea

(Social Security No. 461-78-9053)

TEXAS

STATE OF ~~NEW MEXICO~~,

County of ANDERSON

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 2nd day of June, 19 81 by Edward Brett Lea and wife, Suzanne Lea

My Commission expires February 27, 19 85

Lisa D. Deel
LISA D. DEEL Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____ by

My Commission expires ____, 19____. Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____ by

My Commission expires ____, 19____. Notary Public

STATE OF

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____ by

My Commission expires ____, 19____. Notary Public

No. 8547

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date ____, 19____

Section ____, Township ____, Range ____

No. of Acres

Term ____ County, New Mexico

STATE OF NEW MEXICO
COUNTY OF

I hereby certify that this instrument was filed for record on the 8th day of June, A. D., 19 81, at 11:50 o'clock A. m., and was duly recorded in Book 338 at Page 140 of the Records of said County.

By Deputy. County Clerk.

STATE OF NEW MEXICO

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____

by ____, ____ President

of ____ a ____ corporation

on behalf of said corporation.

My Commission Expires: ____ Notary Public

STATE OF

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ____ day of ____, 19____

by ____, ____ President

of ____ a ____ corporation

on behalf of said corporation.

My Commission Expires: ____ Notary Public

3751

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

BOOK 338 PAGE 142

OIL & GAS LEASE

8548

THIS AGREEMENT made this 30th day of March 19 81, between

Jerry J. Lea and wife, Lana Lea

of
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for 12 months

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~six (6) years~~ from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to the amount of delay rentals provided for in this lease for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bank at, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [illegible] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Lana Lea

Jerry J. Lea

(Social Security No. 641-68-9985)

STATE OF [illegible], TEXAS
County of PARKER

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June, 19 81 by Jerry J. Lea and wife, Lana Lea

My Commission expires 11-19, 19 81

Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

STATE OF
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

No. 8548

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO
COUNTY OF

I hereby certify that this instrument was filed for record on the 8th day of June, A. D., 19 81, at 11:50 o'clock A m., and was duly recorded in Book 338 at Page 142 of the Records of said County.

Witness My Hand and Seal of Office

Norman Bruton
County Clerk.

By Dee Newton
Deputy.

STATE OF NEW MEXICO
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19
by, President
of a corporation
on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19
by, President
of a corporation
on behalf of said corporation.

My Commission Expires:

Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

OIL & GAS LEASE

THIS AGREEMENT made this 5th day of January 19 81, between

Shirley Jean Buford, formerly known as Shirley Jean Brooks, and Lenora Anderson, formerly known as Lenora Brooks Buford, both dealing in their sole and separate property

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201 lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.
Section 3: SW/4

$1.00 per net acre for

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 3/16 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 3/16 of the gas used, provided that on gas sold on or off the premises the royalty shall be 3/16 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal [redacted] the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ * see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Community Bank Bank at P.O. Box 32282, Oklahoma City, OK 73132, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made, provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. This is a paid-up lease and all rentals are paid in advance for the term of the lease. Name of the depository bank is inserted herein solely for the purpose of shut-in royalty payments.

EXECUTED the day and year first above written.

Lenora Anderson

Social Security No. 446-34-7434

Shirley Jean Buford

Social Security No. 445-62-5252

STATE OF ~~NEW MEXICO~~ OKLAHOMA,

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June,

19 81 by Shirley Jean Buford, formerly known as Shirley Jean Brooks, dealing in her sole and separate property

My Commission expires April 17, 1985 Notary Public

STATE OF ~~NEW MEXICO~~ OKLAHOMA,

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June,

19 81 by Lenora Anderson, formerly known as Lenora Brooks Buford, dealing in her sole and separate property

My Commission expires April 17, 1985 Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of,

19 by

My Commission expires, 19. Notary Public

STATE OF

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of,

19 by

My Commission expires, 19. Notary Public

No.

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO
COUNTY OF

I hereby certify that this instrument was filed for record on the day of,
A. D., 19, at o'clock m., and was duly recorded in Book at Page of the Records of said County.

County Clerk.

By
Deputy.

STATE OF NEW MEXICO

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by President

of a corporation

on behalf of said corporation.

My Commission Expires: Notary Public

STATE OF

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by President

of a corporation

on behalf of said corporation.

My Commission Expires: Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1 8263

OIL & GAS LEASE

THIS AGREEMENT made this 30th day of March 1981, between

Alan W. Nalle and wife, Lida Lea Nalle

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of six (6) months from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal [redacted] the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Austin National Bank Bank at Austin, Texas 78701, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Lida Lea Nalle
Lida Lea Nalle

Alan W. Nalle
Alan W. Nalle
(Social Security No. 455-76-1439)

STATE OF ~~NEW MEXICO~~ TEXAS,
County of TRAVIS

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 28 day of ~~April~~ MAY
19 81 by Alan W. Nalle and wife, Lida Lea Nalle

My Commission expires 06/30/84, 19___. Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of
19___ by

My Commission expires, 19___. Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of
19___ by

My Commission expires, 19___. Notary Public

STATE OF
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of
19___ by

My Commission expires, 19___. Notary Public

No. 8263

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO
COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 2nd day of June, A. D., 19 81, at 11:20 o'clock A. m., and was duly recorded in Book 338 at Page 7 of the Records of said County.

Witness my hand and seal of office this the 2nd day of June, 1981.

Clerk, County, New Mexico

By Deputy.

STATE OF NEW MEXICO

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this ___ day of ___, 19___
by ___, ___ President
of ___ a ___ corporation
on behalf of said corporation.

My Commission Expires: ___ Notary Public

STATE OF

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this ___ day of ___, 19___
by ___, ___ President
of ___ a ___ corporation
on behalf of said corporation.

My Commission Expires: ___ Notary Public

Deed

VOL 389 PAGE 456

DEED

THE STATE OF NEW MEXICO §
§
COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS:

8264

That I, HELEN HORN LEA, a widow, of the County of Midland and State of Texas, for and in consideration of the sum of TEN & NO/100 DOLLARS ($10.00) and for and in consideration of the love and affection that I have and bear for the Grantees herein named, have GRANTED, GIVEN AND CONVEYED, and by these presents do GRANT, GIVE AND CONVEY unto my daughter, LIDA LEA NALLE and husband, ALAN W. NALLE, of Travis County, Texas; and unto EDWARD BRETT LEA and wife, SUSANNA LEA, of Anderson County, Texas; and unto JERRY J. LEA and wife, LANA LEA, of Parker County, Texas; all and every right, title and interest which I have or may have, expressly including but not limited to oil, gas, and mineral estates, royalties and the right to received royalties, in and under theland located in the county of Lea and State of New Mexico, described as follows:

Township 14 South, Range 36 East, N.M.P.M.; Section 3 NW/4

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantees, their heirs, successors and assigns forever, so that neither I, nor my heirs, nor any person or persons claiming under me shall, at any time hereafter, have, claim, or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

EXECUTED this 29 day of November, 1980.

Helen Horn Lea
HELEN HORN LEA

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared HELEN HORN LEA, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 29th day of November, 1980.

David Bounds
NOTARY PUBLIC IN AND FOR TRAVIS COUNTY, TEXAS

8264

STATE OF NEW MEXICO - COUNTY OF LEA
FILED

JUN 2 1981

11:30 o'clock A. M and Recorded in
Book 389 Page 456
Donna Bettge, County Clerk
By Rue Thurston Deputy

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of July, 1981.

ATTEST: CIBOLA ENERGY CORPORATION

Ronald L Holt — Harvey E Yates

Secretary — President

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 1st day of July, 1981, by Harvey E. Yates, Jr., President of CIBOLA ENERGY CORPORATION, a New Mexico Corporation, on behalf of said corporation.

My Commission Expires:

September 22, 1981

Virginia Lawrence
Notary Public

Getty Oil Company | P.O. Box 1231, Midland Texas 79702 • Telephone (915) 683-6301

R. J. Starrak, District Manager
Midland Exploration and Production District

July 1, 1981

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88201

Re: McDonald Unit
T13S, R36E & T14S, R36E
McDonald Area
Lea County, New Mexico

Gentlemen:

Getty Oil Company agrees to participate and commit its leasehold interest in the development of the above captioned unit as to its proportionate share of the unit ownership as set out in the Unit Agreement and Operating Agreement subject to the State approval of said unit.

Yours very truly,

GETTY OIL COMPANY

R. J. Starrak by HOWJr

R. J. Starrak
District Manager

HOWJr/sds

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 2
CASE NO. 7283
Submitted by Applicant
Hearing Date 7/2/81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 11th day of August, 1980.

ATTEST:

Assistant Secretary

SAMEDAN OIL CORPORATION

By: Thomas C. Jobe Vice-President

STATE OF Oklahoma)
) ss
COUNTY OF Carter)

The foregoing instrument was acknowledged before me this 11th day of August, 1980, by Thomas C. Jobe, Vice President of SAMEDAN OIL CORPORATION, a Delaware Corporation on behalf of said corporation.

My Commission Expires:

November 18, 1982

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

ATTEST:

CAYMAN EXPLORATION CORPORATION

Ronald A. Van De Vanter
Secretary

By T. A. Johnson, Jr.
President

STATE OF OKLAHOMA)
) ss
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by T. A. Johnson, Jr., President of CAYMAN EXPLORATION CORPORATION, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires 9-21-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 29th day of May, 1981

ATTEST:

_____
Secretary

GEO-DYNAMICS OIL & GAS, INC.
By: Adobe Oil & Gas Corporation

By: _____
H. R. Holcomb, Vice President

	DIVISION
APPROVAL	APPROVAL

STATE OF Texas)
) ss.
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 29th day of May, 1981, by H.R. Holcomb Vice President of GEO-DYNAMICS OIL & GAS, INC., a _____ Corporation, on behalf of said corporation.

My Commission Expires:
SYLVIA MOLINAR
Notary Public in and
for Midland Co., TX
My Commission Expires 4-1-85

Sylvia Molinar
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

ATTEST:

DALPORT OIL CORPORATION

Assistant Secretary

President

STATE OF TEXAS)
) ss
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by W. L. Todd, Jr., President of DALPORT OIL CORPORATION, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

5/12/84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of October, 1980.

ATTEST:

Patricia Thomason
Secretary

PROFESSIONAL INVESTMENT AND TRUST COMPANY

F. L. Heidel
Vice-President

STATE OF NEW MEXICO)
) ss
COUNTY OF LEA)

The foregoing instrument was acknowledged before me this 7th day of October, 1980, by F. L. Heidel, Vice President of PROFESSIONAL INVESTMENT AND TRUST COMPANY, a New Mexico Corporation, on behalf of said corporation.

My Commission Expires:

5-14-83

Debra Ramirez
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

~~XXXXXXX~~

SABINE PRODUCTION COMPANY

~~XXXXXXXXXX~~
Secretary

B. L. House
Attorney-in-Fact

~~XXXXXXXXXX~~

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by B. L. House, Attorney-in-Fact, ~~XXXXXXXXX~~ of SABINE PRODUCTION COMPANY, a Louisiana Corporation, on behalf of said corporation.

My Commission Expires:

1-31-81

Thelma Payne
Notary Public
Thelma Payne

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12 day of August, 1980.

WITNESS:

Kim Ureing

John K. Overbey

JOHN K. OVERBEY, Individually and as Trustee U/W of Joseph F. Overbey and Dora K. Overbey

STATE OF Alaska)
) ss
COUNTY OF 3rd Judicial District)

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by JOHN K. OVERBEY, Individually and as Trustee U/W of Joseph F. Overbey and Dora K. Overbey.

My Commission Expires:

12-12-81

Maryanne Shields
Notary Public

Maryanne Shields
Notary Public
State of Alaska

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26 day of August, 1980.

WITNESS:

Pamela Davis

Eugene E. Nearburg
EUGENE E. NEARBURG

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 26 day of August, 1980, by EUGENE E. NEARBURG

My Commission Expires:

1-31-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

WITNESS:

_____

Anna A. Reischman
ANNA A. REISCHMAN

STATE OF NEW MEXICO)
) ss
COUNTY OF CHAVES)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by ANNA A. REISCHMAN.

My Commission Expires:

July 27, 1984

Rosemary Curry
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

Vicki Lujan

A.M. Swarthout

A.M. SWARTHOUT

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by A.M. SWARTHOUT.

My Commission Expires:

4-12-84

Marcella D. Saufley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of The McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of August, 1980.

WITNESS:

C. W. TRAINER

TRAINER, his wife

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 22 day of August, 1980, by C. W. TRAINER and Jackie TRAINER, his wife.

My Commission Expires:

OFFICIAL SEAL
Signed Ada Louise Puckett
ADA LOUISE PUCKETT
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires 3-19-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12 day of August, 1980.

WITNESS:

Dana Collins

Gayle Hudgens
GAYLE HUDGENS

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 13 day of August, 1980, by GAYLE HUDGENS.

My Commission Expires:

3-31-84

Jessie Yates
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12th day of August, 1980.

WITNESS:

GARY HUDGENS

STATE OF California)
) ss Santa Clara
COUNTY OF Santa Clara)

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by GARY HUDGENS.

My Commission Expires:

2-7-81

Notary Public

OFFICIAL SEAL
ROBERT D. JOHNSTON
NOTARY PUBLIC — CALIFORNIA
SANTA CLARA COUNTY
My Commission Expires February 7, 1981

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

_____

C. E. Marsh II
C. E. MARSH II

_____

Loretta McDermott Marsh
LORETTA MCDERMOTT MARSH, his wife

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by C. E. MARSH II and LORETTA MCDERMOTT MARSH, his wife.

My Commission Expires:

_____

Edna L Anderson
Notary Public

EDNA L ANDERSON - Notary Public
MIDLAND COUNTY, TEXAS
My Commission Expires 10/2/82

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5 day of September, 1980.

WITNESS:

Patricia C. Haynes

Henry D. Lindsley III
HENRY D. LINDSLEY III

Chandler Lindsley
CHANDLER LINDSLEY, his wife.

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 5th day of September, 1980, by HENRY D. LINDSLEY III and CHANDLER LINDSLEY, his wife.

My Commission Expires:

1-30-84

Patricia C. Haynes
Notary Public

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 1
CASE NO. 7283
Submitted by Applicant
Hearing Date 7/2/81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

Barbara D Hamilton

John R. Fitzgerald

JOHN R. FITZGERALD, Individually and as Executor of the Estate of Vestal Gertrude Fitzgerald, deceased

STATE OF Texas)
) ss
COUNTY OF Cameron)

The foregoing instrument was acknowledged before me this 31st day of July, 1980, by JOHN R. FITZGERALD, Individually and as Executor of the Estate of Vestal Gertrude Fitzgerald, deceased.

My Commission Expires:

6-4-81

Janet G. Aguirre
Notary Public

Janet G. Aguirre, Notary Public
In and For Cameron County, Texas
My Commission expires 6-4-81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

Nancy Cowgill

Helen H. Lea
HELEN H. LEA

STATE OF Texas)
) ss
COUNTY OF Travis)

The foregoing instrument was acknowledged before me this 31st day of July, 1980, by HELEN H. LEA.

My Commission Expires:

6/30/84

David Bounds
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31d day of September, 1980.

WITNESS:

_____

Etta M. Brooks
ETTA M. BROOKS

STATE OF Virginia)
) ss
COUNTY OF Henrico)

The foregoing instrument was acknowledged before me this 31d day of September, 1980, by ETTA M. BROOKS.

My Commission Expires:

11-29-81

M. C. Lyford
(Comm as M. C. Hine)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12th day of August, 1980.

WITNESS:

EVELYN R. BROOKS

STATE OF Oregon)
) ss
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by EVELYN R. BROOKS.

My Commission Expires:

6-2-82

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Gladys Terrell
GLADYS TERRILL

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by GLADYS TERRILL.

My Commission Expires:

June 30, 1984

Lucille Boase (Lucille Boase)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

Bruce T. Pearson
BRUCE T. PEARSON

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by BRUCE T. PEARSON.

My Commission Expires:

June 30, 1984

Lucille Boase (Lucille Boase)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2nd day of August, 1980.

WITNESS:

J. Charlotte Wheaton

Allyne S. Carter

ALLYNE S. CARTER, Individually and as Trustee U/W of J. W. Carter, deceased

STATE OF California)
) SS
COUNTY OF Los Angeles)

The foregoing instrument was acknowledged before me this 2nd day of August, 1980, by ALLYNE S. CARTER, Individually and as Trustee U/W of J. W. Carter, deceased.

My Commission Expires:

J. CHARLOTTE WHEATON
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires Nov. 27, 1983

J. Charlotte Wheaton
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 28 day of August, 1980.

WITNESS:

Karen Ford

Alfred Wayne Langham
ALFRED WAYNE LANGHAM

STATE OF Georgia)
) ss
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 28th day of August, 1980, by ALFRED WAYNE LANGHAM.

My Commission Expires:

Notary Public, Richmond County, Georgia
My Commission Expires October 11, 1981.

Dorothy C. Cooke
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 3rd day of September, 1980.

WITNESS:

Vicki Hoag

Patricia Diane Langham
PATRICIA DIANE LANGHAM

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 3rd day of September, 1980, by PATRICIA DIANE LANGHAM.

My Commission Expires:

2-6-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31 day of July, 1980.

WITNESS:

Lucinda Lee Clark

Marcia Yolda Lane

JAMES J. LANEY

Jean M Laney

JEAN M. LANEY, his wife

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by JAMES J. LANEY and JEAN M. LANEY, his wife.

My Commission Expires:

July 31, 1984

Jean Carruthers
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

_____

Lorna G. Overbey
LORNA G. OVERBEY

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by LORNA G. OVERBEY.

My Commission Expires:

9-3-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of Sept., 1980.

WITNESS:

E. L. Odom

Vilma Easley

DANIEL W. VAREL

Barbara A. Varel

BARBARA A. VAREL, his wife

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 4th day of July, 1980, by DANIEL W. VAREL and BARBARA A. VAREL, his wife.

My Commission Expires:

6-18-81

C. E. Fletcher

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

J. M. HEWGLEY, JR.

ETLEEN ROONEY HEWGLEY, his wife

STATE OF Oklahoma)
) ss
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by J. M. HEWGLEY, JR., and ETLEEN ROONEY HEWGLEY, his wife.

My Commission Expires:

1-22-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held, or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8 day of August, 1980.

WITNESS:

Evelyn Bagwell

Buster C. Hathcock
BUSTER C. HATHCOCK
467-32-9741

STATE OF Texas)
) ss
COUNTY OF Eastland)

The foregoing instrument was acknowledged before me this 8 day of August, 1980, by BUSTER C. HATHCOCK.

My Commission Expires:

2-28-81

Audrey Rose
Notary Public

Audrey Rose
Notary Public
Eastland County, Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Jesse C. Hathcock
JESSE C. HATHCOCK

STATE OF Texas)
) ss
COUNTY OF Eastland)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by JESSE C. HATHCOCK.

My Commission Expires:

June 10, 1981

Virginia Ewing
Notary Public

Virginia Ewing
Notary Public
Eastland County, Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

John T. Hathcock
JOHN T. HATHCOCK

STATE OF NORTH DAKOTA)
) ss
COUNTY OF MORTON)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by JOHN T. HATHCOCK.

My Commission Expires:
MARILYN A. JENSEN
Notary Public, MORTON CO., N. DAK.
My Commission Expires MARCH 14, 1985

Marilyn A. Jensen
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of August, 1980.

WITNESS:

Martha Bartolomit

Mary Ann Guess
MARY ANN GUESS

STATE OF Texas)
) ss
COUNTY OF Lavaca)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by MARY ANN GUESS.

My Commission Expires:

4-11-81

Judy Reed
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of August, 1980.

WITNESS:

Vickie Hemingway

Bud Brooks
BUD BROOKS

STATE OF Oklahoma)
) SS
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 22 day of August, 1980, by BUD BROOKS.

My Commission Expires:

April 29, 1981

Edith Price
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Kathleen S. Cunningham

Joy Hathcock Key
JOY HATHCOCK KEY

STATE OF Florida)
) ss
COUNTY OF Dade)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by JOY HATHCOCK KEY.

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES NOVEMBER 4, 19[illegible]
[illegible]

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 19th day of August, 1980.

WITNESS:

John D. Hutt House

Nelda Fay Brooks House
NELDA FAY BROOKS HOUSE

STATE OF Okla.)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 19th day of August, 1980, by NELDA FAY BROOKS HOUSE.

My Commission Expires:

11-17-82

Billie D. Payton
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

Lucy Wise

Cora May Brooks
CORA MAY BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by CORA MAY BROOKS.

My Commission Expires:

April 29, 1983

Edith Jones
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of Aug., 1980.

WITNESS:

_____ Lena Brooks Reilly
LENA BROOKS REILLY

STATE OF California)
) ss
COUNTY OF Fresno)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by LENA BROOKS REILLY.

My Commission Expires:

_____ Notary Public

OFFICIAL SEAL
Lowell E. Carlson
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
FRESNO COUNTY
My Commission Expires Sept. 28, 1983

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of September, 1980.

WITNESS:

_____

Clair Brooks Arthurs
CLAIR BROOKS ARTHURS

STATE OF California)
) ss
COUNTY OF Fresno)

The foregoing instrument was acknowledged before me this 15th day of September, 1980, by CLAIR BROOKS ARTHURS.

My Commission Expires:

December 7, 1982

Sandra K. Bruce
Notary Public

OFFICIAL SEAL
SANDRA K. BRUCE
NOTARY PUBLIC - CALIFORNIA
FRESNO COUNTY
My comm. expires DEC 7, 1982

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of July, 1980.

WITNESS:

_____ _____
CORA BROOKS GAULT

STATE OF Texas)
) ss
COUNTY OF Potter)

The foregoing instrument was acknowledged before me this 15th day of July, 1980, by CORA BROOKS GAULT.

My Commission Expires:

_____ _____
Notary Public

Lorrie E. Co...
NOTARY PUBLIC—GA...
POTTER COUNTY
...Sept 27...

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

ATTEST:

Secretary

ACOMA OIL CORPORATION

By: W. Earl Ward Jr.
President

STATE OF Minnesota)
) ss
COUNTY OF Ramsey)

The foregoing instrument was acknowledged before me this 8 day of August, 1980, by W. Earl Ward Jr. President of ACOMA OIL CORPORATION, a Minnesota Corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

[illegible] NOTARY PUBLIC MINNESOTA
WASHINGTON COUNTY
My Commission Expires Aug. 10, 1985

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of Aug., 1980.

WITNESS:

_____

Katheryn D. Bartley
KATHERYN D. BARTLEY

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by KATHERYN D. BARTLEY.

My Commission Expires:

_____

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8 day of August, 1980.

WITNESS:

Verna P. Roberts
VERNA P. ROBERTS

STATE OF Texas)
) ss
COUNTY OF Lubbock)

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by VERNA P. ROBERTS.

My Commission Expires:

8-21-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 20 day of August, 1980.

WITNESS:

Stacy Keel

Myrtle Brooks Hemingway

MYRTLE BROOKS HEMINGWAY

STATE OF Oklahoma)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 20 day of August, 1980, by MYRTLE BROOKS HEMINGWAY.

My Commission Expires:

April 29, 1981

C. Lee Spencer

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2ND day of August, 1980.

WITNESS:

Kathleen Watters

Gyola Brooks Melton
GYOLA BROOKS MELTON

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 2nd day of August, 1980, by GYOLA BROOKS MELTON.

My Commission Expires:

12-13-83

Cheryl Mallick
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

_____ Elvin Lewis
ELVIN LEWIS

_____ Opal Lewis
OPAL LEWIS, his wife

STATE OF New Mexico)
) ss
COUNTY OF Sierra)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by ELVIN LEWIS and OPAL LEWIS, his wife.

My Commission Expires: 1/21/84

_____ Judy O'Neal
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

WITNESS:

M. J. Ledbetter

Edna R. Ashton
EDNA R. ASHTON

STATE OF OKLAHOMA)
) ss
COUNTY OF PAYNE)

The foregoing instrument was acknowledged before me this 18th day of August, 1980, by EDNA R. ASHTON.

My Commission Expires:

October 15, 1980

Bernew Findley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of September 1980.

WITNESS:

Mary Kay Wheatley

Lisa Hardesty

~~HAROLD B. DENTON~~ MICHAEL G. DENTON*

PAULINE DENTON, ~~his wife~~

STATE OF TEXAS)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 18th day of September, 1980, by ~~HAROLD B. DENTON~~ and PAULINE DENTON, ~~his wife~~. MICHAEL G. DENTON*

My Commission Expires:

2-23-81

Notary Public

DeLYLA A. KESSEL, Notary Public
In and for Dallas County, Texas
My commission expires February 23, 1981

*PERSONAL REPRESENTATIVE OF
THE ESTATE OF HAROLD B. DENTON,
DECEASED

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest. ***

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of August, 1980.

*** This instrument has been executed by James A. Foster, Jr., and Joyca Foster with the understanding that the terms of the Unit Agreement referred to therein do not apply to any existing production on the lands covered thereby.

WITNESS:

JAMES A. FOSTER, JR.

JOYCA FOSTER

STATE OF New Mexico)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 21 day of August, 1980, by JAMES A. FOSTER, JR., and JOYCA FOSTER.

My Commission Expires:

4-8-82.

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5 day of August, 1980.

WITNESS:

Mrs. M.C. Gandy

Virginia Mae Gilchrist
VIRGINIA MAE GILCHRIST

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 5 day of August, 1980, by VIRGINIA GILCHRIST.

My Commission Expires:

July 19 1984

Nadia Reeves
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Patricia Thomason

Jeanne M. Jones

Howard Gilchrist
HOWARD GILCHRIST

Vada Gilchrist
VADA GILCHRIST, his wife

STATE OF NEW MEXICO)
) ss
COUNTY OF LEA)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by HOWARD GILCHRIST and VADA GILCHRIST, his wife.

My Commission Expires:

May 14, 1983

Debra Ramirez
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

WITNESS:

Hoyt M. Roy
HOYT M. ROY

H. P. Roy
H. P. ROY, her husband

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 18th day of August, 1980, by HOYT M. ROY and H. P. ROY, her husband.

My Commission Expires:

9-13-82

Florence B. Garnett
Notary Public

OFFICIAL SEAL
Signature Florence B. Garnett
FLORENCE B. GARNETT
NOTARY PUBLIC - NEW MEXICO
Notary Bond Filed with Secretary of State
My Commission Expires: 9-13-82

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30th. day of July, 1980.

WITNESS:

Byrel A. Moore
BYREL A. MOORE

Elizabeth Moore
ELIZABETH MOORE, his wife

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 30th. day of July, 1980, by BYREL A. MOORE and ELIZABETH MOORE, his wife.

My Commission Expires:

[illegible]

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22nd day of September, 1980.

WITNESS:

Lydia Stroell

Norene Nelson

Alta Lee Glidewell
ALTA LEE GLIDEWELL

Joe Glidewell
JOE GLIDEWELL, her husband

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 22nd day of Sept., 1980, by ALTA LEE GLIDEWELL and JOE GLIDEWELL, her husband.

My Commission Expires:

_____

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 27th day of August, 1980.

WITNESS:

Lee Bailey

Gregory L Deevers

GREGORY LYNN DEEVERS

STATE OF OKLAHOMA)
) ss
COUNTY OF GARVIN)

The foregoing instrument was acknowledged before me this 27th day of August, 1980, by GREGORY LYNN DEEVERS.

My Commission Expires:

12-20-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of Dec., 1980.

WITNESS:

Lucille F. McKinley
LUCILLE F. McKINLEY

W.H. McKinley
W.H. McKINLEY, her husband

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 22nd day of December, 1980, by LUCILLE F. McKINLEY and W.H. McKINLEY, her husband.

My Commission Expires:

7-3-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

Jice O. Wells

x Betty Monroe

Randall T. Montgomery
RANDALL MONTGOMERY

Mildred M. Montgomery
MILDRED M. MONTGOMERY, his wife

STATE OF New Mexico)
) ss
COUNTY OF Montgomery)

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by RANDALL MONTGOMERY and MILDRED M. MONTGOMERY, his wife.

My Commission Expires:

Oct. 18, 1980

Jice O. Wells
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2 day of September, 1980.

WITNESS:

LEON O. HEMANN

BETTY M. HEMANN, his wife

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 2 day of September, 1980, by LEON O. HEMANN and BETTY M. HEMANN, his wife.

My Commission Expires:

February 28, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 13th day of August, 1980.

WITNESS:

RICHARD R. PETTIGREW

DORIS M. PETTIGREW, his wife

STATE OF New Mexico)
) ss
COUNTY OF Curry)

The foregoing instrument was acknowledged before me this 13 day of August, 1980, by RICHARD R. PETTIGREW and DORIS M. PETTIGREW, his wife.

My Commission Expires:

MY COMMISSION EXPIRES AUG. 19, 1983

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

_____

Travis Denton
TRAVIS DENTON

_____

Tressie Denton
TRESSIE DENTON, his wife

STATE OF Texas)
) ss
COUNTY OF Howard)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by TRAVIS DENTON and TRESSIE DENTON, his wife.

My Commission Expires:

_____

ENID L. HAMBY
Notary Public in and for
Howard County, Texas
My Commission Expires 10-1-[illegible]

Enid L. Hamby
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18 day of August, 1980.

WITNESS:

Iona McClish
IONA MCCLISH

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 18 day of August, 1980, by IONA MCCLISH.

My Commission Expires:

February 28, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

H. H. TRACY

AUDREY P. TRACY, his wife

STATE OF Louisiana)
Parish) ss
~~XXXXXX~~ OF Catahoula)

The foregoing instrument was acknowledged before me this 8th day of Aug, 1980, by H. H. TRACY and AUDREY P. TRACY, his wife

My Commission Expires:

At Death

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 19 day of August, 1980.

WITNESS:

Vallie Humphries
VALLIE HUMPHRIES

J. D. Humphries
J. D. HUMPHRIES, her husband

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 19 day of August, 1980, by VALLIE HUMPHRIES and J. D. HUMPHRIES, her husband.

My Commission Expires:

April 18, 1983

Notary Public

OFFICIAL SEAL
SHARON BROWN
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires April 18, 1983

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30th day of July, 1980.

WITNESS:

_____

Evelyn B. Walton
EVELYN B. WALTON

STATE OF NEW MEXICO)
) ss
COUNTY OF DONA ANA)

The foregoing instrument was acknowledged before me this 30th day of July, 1980, by EVELYN B. WALTON.

My Commission Expires:
February 15, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

_____

Edgar Meroney Jr
EDGAR MERONEY, JR.

STATE OF Arizona)
) ss
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by EDGAR MERONEY, JR.

My Commission Expires:

My Commission Expires Jan. 6, 1984

Vera B Gannon
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

ATTEST:

Ray Hudson
Secretary

TATUM INDEPENDENT SCHOOL DISTRICT

By: J. Jane Jones
President

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 18 day of August, 1980, by Ray Hudson Secretary & J. Jane Jones President of the TATUM INDEPENDENT SCHOOL DISTRICT, on behalf of said District.

My Commission Expires:

July 19, 1984

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of August, 1980.

WITNESS:

_____ _____
OPAL MERONEY STORKMAN

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 1st day of August, 1980, by OPAL MERONEY STORKMAN.

My Commission Expires:

_____ _____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15 day of August, 1980.

WITNESS:

Ann Pierce

PAULINE BURNETT

STATE OF Texas)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 15 day of August, 1980, by PAULINE BURNETT.

My Commission Expires:

6-30-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14th day of August, 1980.

WITNESS:

Patricia L. Fulwider
Patricia L. Fulwider

Thelma A. Meroney
THELMA A. MERONEY

STATE OF TEXAS)
) ss
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 14th day of August, 1980, by THELMA A. MERONEY.

My Commission Expires:

My Commission Expires May 16, 1981

Virginia Holley, Notary Public
Tarrant County, Texas

Virginia Holley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30 day of July, 1980.

WITNESS:

_____ Ann Meroney Robinson
ANN MERONEY ROBINSON

STATE OF Texas)
) ss
COUNTY OF Tarrant)

The foregoing instrument was acknowledged before me this 30 day of July, 1980, by ANN MERONEY ROBINSON.

My Commission Expires:

June 8, 1981

Wanda O'Leary
Notary Public

WANDA O'LEARY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

WITNESS:

_____ Effie C. Wilson

EFFIE C. WILSON

STATE OF _____)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by EFFIE C. WILSON.

My Commission Expires:

3-2-

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31 day of July, 1980.

WITNESS:

Shirley R. Young

Sudie Lee Carrell
SUDIE LEE CARRELL

STATE OF Texas)
) SS
COUNTY OF Potter)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by SUDIE LEE CARRELL.

My Commission Expires:

6-26-81

Bessie Ivy
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 9th day of February, 1980.

WITNESS:

Beth Thomas

Roy Brooks
ROY BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Oklahoma)

The foregoing instrument was acknowledged before me this 9th day of February, 1980, by ROY BROOKS.

My Commission Expires:

November 20, 1983

Dixie Lenigo
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of February, 1981 ~~1980~~.

WITNESS:

_____

_____

_____
HAROLD L. BRIDGEFORTH

_____
DELORES W. BRIDGEFORTH, his wife

STATE OF Texas)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 7th day of February, 1980, by HAROLD L. BRIDGEFORTH and DELORES W. BRIDGEFORTH, his wife.

My Commission Expires:

April 17 1984

_____
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of February, 1981.

WITNESS:

Norma J. Hayes

Dorothy P. Mack

DOROTHY P. MACK

STATE OF Calif.)
) ss
COUNTY OF San Diego)

The foregoing instrument was acknowledged before me this 6 day of February, 1981, by DOROTHY P. MACK.

My Commission Expires:

10-05-84

Norma J. Hayes
Notary Public

OFFICIAL SEAL
NORMA J. HAYES
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Expires October 5, 1984

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of January, 1981.

WITNESS:

J. C. Meeks

Joe A. McDonald

JOE A. MCDONALD, sole surviving heir of Olivia McDonald

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

The foregoing instrument was acknowledged before me this 21 day of January, 1981, by JOE A. MCDONALD as sole surviving heir of Olivia McDonald.

My Commission Expires:

2-1-82

E. J. Hale

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 17th day of January, ~~1980~~ 1981.

WITNESS:

Mary Conner

Otis J. Roach
OTIS J. ROACH

STATE OF Texas)
) ss
COUNTY OF Jasper)

The foregoing instrument was acknowledged before me this 17th day of January, ~~1980~~ 1981, by OTIS J. ROACH.

My Commission Expires:

2-25-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of January, 1980.

WITNESS:

Tom L. Ingram
TOM L. INGRAM

Joan L. Ingram
JOAN L. INGRAM, his wife

STATE OF New Mexico)
) ss
COUNTY OF Chaves)

The foregoing instrument was acknowledged before me this 15th day of January, 1981, by TOM L. INGRAM and JOAN L. INGRAM, his wife.

My Commission Expires:

October 21, 1984

Margaret P. Cochran
Notary Public

OFFICIAL SEAL
Margaret P. Cochran
MARGARET P. COCHRAN
NOTARY PUBLIC - NEW MEXICO
FILED WITH SECRETARY OF STATE
10/21/84

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14 day of January, 1981 ~~1980~~.

WITNESS:

H. T. Hunnicutt

Dorothy M. Street
DOROTHY M. STREET, Agent and Attorney-in-Fact for Maude P. Stovall, a widow.

STATE OF Texas)
) SS
COUNTY OF Young)

The foregoing instrument was acknowledged before me this 14th day of January, 1981 ~~1980~~, by DOROTHY M. STREET, Agent and Attorney-in-Fact for Maude P. Stovall, a widow.

My Commission Expires:

2/15/81

Barbara Freeman
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 16th day of June, 1981.

ATTEST:

PENNZOIL COMPANY

APPROVED 15

Secretary

James T. Goodwyn, Jr.
Agent and Attorney-in-Fact

STATE OF TEXAS)
) SS
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 16th day of June, 1981, by James T. Goodwyn, Jr., Agent and Attorney-in-Fact, of PENNZOIL COMPANY, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

March 20, 1984

Notary Public

KAREN STACK

BOOK 331 PAGE 466 32716

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

OIL & GAS LEASE

THIS AGREEMENT made this 30th day of July 1980, between

J. Hugh Liedtke and wife, Betty Lyn Liedtke

P. O. Box 2967, Houston, Texas 77001
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 11 South, Range 30 East, N.M.P.M.

Section 3: NW/4

160.0

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise _____ acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of one years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/8th of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4th of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4th of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to ~~the amount of delay rental provided for in this lease for~~ the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

$1.00 per net acre

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, ~~unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of~~ *See Paragraph 12 ~~which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during~~ the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the * Texas Commerce Bank at Houston, Texas 77001, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby ~~warrants and agrees to defend title to said land and~~ agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. There are no rentals due on this lease. Depository bank is inserted solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

~~Betty Lyn Liedtke~~

J. Hugh Liedtke
(Soc. Sec. No. 447-12-8283)

Betty Lyn Liedtke
(Soc.Sec.No. 446-36-3285)

STATE OF TEXAS
County of HARRIS

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of August, 1980 by J. Hugh Liedtke and wife, Betty Lyn Liedtke

CYNTHIA S. McMAHAN
Notary Public in Harris County
for the State of Texas
My Commission Expires July 23, 19 81

My Commission Expires July 23, 19 81.

Cynthia S. McMahan
Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____.

Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____.

Notary Public

STATE OF _____
County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____.

Notary Public

No. 32716

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

_____ County, New Mexico

Term _____

STATE OF NEW MEXICO
COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 24 day of Mch, A. D., 1980, at 1:55 o'clock P. m., and was duly recorded in Book 331 at Page 466 of the Records of said County.

Witness my hand and seal of said County.

Querie Rae Lamunds
County Clerk.

By Sue Myers
Deputy.

STATE OF NEW MEXICO
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____
County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires: _____

Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

29023 BOOK 329 PAGE 345

OIL & GAS LEASE

THIS AGREEMENT made this 6th day of August 19 80, between

L. Dene Stephens and wife, Johnnie M. Stephens

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, New Mexico 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

$1.00 per net acre

Township 13 South, Range 36 East, N.M.P.M.

Section 34: N/2 SW/4 & SE/4 SW/4

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 120.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of one (1) years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to [redacted] for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bosque County Bank at *Meridian, Texas 76665, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made, provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. No rentals are due on this lease; name and address of depository bank are inserted herein solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

X Johnnie M. Stephens
Johnnie M. Stephens

X L. Dene Stephens
L. Dene Stephens

BOOK 329 PAGE 346

TEXAS

STATE OF [redacted]

County of Hopkins

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 15th day of August, 19 80 by L. Dene Stephens and wife, Johnnie M. Stephens

My Commission expires 6-30-84, 19___.

(Carl S Bruce) Carl S Bruce
Notary Public in Hopkins Co. for the State of Texas

STATE OF NEW MEXICO,

County of___

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of___, 19___ by ___

My Commission expires___, 19___.

Notary Public

STATE OF NEW MEXICO,

County of___

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of___, 19___ by ___

My Commission expires___, 19___.

Notary Public

STATE OF ___

County of___

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of___, 19___ by ___

My Commission expires___, 19___.

Notary Public

No. 29023

OIL AND GAS LEASE

NEW MEXICO

FROM

TO

Date ....., 19....

Section....., Township....., Range.....

No. of Acres .....

.....County, New Mexico

Term .....

STATE OF NEW MEXICO
COUNTY OF Chaves

I hereby certify that this instrument was filed for record on the 20 day of August, A. D., 19 80 at 2:45 o'clock P. m., and was duly recorded in Book 329 at Page 345 of the Records of said County.

Witness My Hand and Seal of said County.

By Pam Kyle Deputy. County Clerk.

STATE OF NEW MEXICO

County of___

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of___, 19___

by___, ___ President

of___ a ___ corporation

on behalf of said corporation.

My Commission Expires:___

Notary Public

STATE OF ___

County of___

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this ___ day of___, 19___

by___, ___ President

of___ a ___ corporation

on behalf of said corporation.

My Commission Expires:___

Notary Public

Producer's 88—(Producer's Revised 1980) ...ew Mexico) Form 342Y-1

27033 94P

BOOK 328 PAGE 585

OIL & GAS LEASE

THIS AGREEMENT made this 1st day of July 19 80, between

Terry Lynn Buford (a/k/a Terry Lynn Brooks), and Julie Ann Brooks Kline,

both married persons dealing in their sole and separate property,

of
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, New Mexico 88201 lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: Southwest One-Quarter (SW/4)

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 3/16 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 3/16 of the gas used, provided that on gas sold on or off the premises the royalty shall be 3/16 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to ~~the amount of delay rental provided for in this lease for~~ the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

$1.00 per net acre

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of *See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bank at which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. This is a paid-up lease and all rentals are paid in full for the term of the lease. Name of depository bank is inserted herein solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

Terry Lynn Buford

(Social Security No. 455-60-5131)

Julie Ann Brooks Kline

(Social Security No. 445-62-7451)

BOOK 328 PAGE 586

STATE OF ~~NEW MEXICO~~ OKLAHOMA

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 6th day of July, 19 80 by Terry Lynn Buford (a/k/a Terry Lynn Brooks), a married man dealing in his sole and separate property.

My Commission expires June 16, 1984. Sherry A. Dillingham
Notary Public

STATE OF ~~NEW MEXICO~~ OKLAHOMA

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 6th day of July, 19 80 by Julie Ann Brooks Kline, a married woman dealing in her sole and separate property

My Commission expires June 16, 1984. Sherry A. Dillingham
Notary Public

STATE OF NEW MEXICO

County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____. _____
Notary Public

STATE OF _____

County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____. _____
Notary Public

No. 27033

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

Term _____ County, New Mexico

STATE OF NEW MEXICO
COUNTY OF _____

I hereby certify that this instrument was filed for record on the 10 day of July, A. D., 19 80 at 11:15 o'clock A.m., and was duly recorded in Book 328 at Page 585 of the Records of said County.

Irene Terrell Smith
County Clerk.

By Sue Mullo
Deputy.

STATE OF NEW MEXICO

County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires: _____ _____
Notary Public

STATE OF _____

County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires: _____ _____
Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

BOOK 338 PAGE 140

OIL & GAS LEASE

8547

THIS AGREEMENT made this 30th day of March 1981, between

Edward Brett Lea and wife, Suzanne Lea

of

(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201 lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for

Months

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of Six (6) from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 30 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to one dollar per acre then covered by the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ * see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the _____ Bank at _____, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated, thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Suzanne Lea
Suzanne Lea
455-80-1029

Edward Brett Lea
Edward Brett Lea
(Social Security No. 461-78-9053)

STATE OF TEXAS

County of ANDERSON

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 2nd day of June, 19 81 by Edward Brett Lea and wife, Suzanne Lea

My Commission expires February 27, 19 85

Lisa D. Dell
LISA D. DELL Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19 Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19 Notary Public

STATE OF

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19 Notary Public

No. 8547

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO
COUNTY OF

I hereby certify that this instrument was filed for record on the 8th day of June, A. D., 1981, at 11:50 o'clock A.M., and was duly recorded in Book 338 at Page 140 of the Records of said County.

Witness my hand and seal of said County.

County Clerk.

By Deputy.

STATE OF NEW MEXICO

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

My Commission Expires: Notary Public

STATE OF

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

My Commission Expires: Notary Public

• Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

BOOK 338 PAGE 142

OIL & GAS LEASE

8548

THIS AGREEMENT made this 30th day of March 19 81, between

Jerry J. Lea and wife, Lana Lea

of
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for

months

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~six (6)~~ from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal ~~to the amount of delay rental provided for in this lease~~ for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bank at , which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Lana Lea

Jerry J. Lea

(Social Security No. 641-68-9983)

STATE OF TEXAS, TEXAS

County of PARKER

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June, 19 81 by Jerry J. Lea and wife, Lana Lea

My Commission expires 11-19, 19 81

Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

STATE OF NEW MEXICO,

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

STATE OF

County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

No. 8548

OIL AND GAS LEASE

NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO

COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 8th day of June, A. D., 19 81, at 11:50 o'clock A m., and was duly recorded in Book 338 at Page 142 of the Records of said County.

Witness My Hand and Seal of Office

By Lucy Munn Blagg

County Clerk.

Deputy.

My Com. Exp. 1933

STATE OF NEW MEXICO

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF

County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

My Commission Expires:

Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

OIL & GAS LEASE

THIS AGREEMENT made this 5th day of January, 1981, between

Shirley Jean Buford, formerly known as Shirley Jean Brooks, and Lenora Anderson,

formerly known as Lenora Brooks Buford, both dealing in their sole and separate property

of
(Post Office Address)

hereinafter called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.
Section 3: SW/4

$1.00 per net acre for

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 3/16 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 3/16 of the gas used, provided that on gas sold on or off the premises the royalty shall be 3/16 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal ~~to one dollar per net mineral acre then covered hereby~~ the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ * see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Community Bank Bank at P.O. Box 32282, Oklahoma City, OK 73132, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made, provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to communitize this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessee shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessor does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/its successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. This is a paid-up lease and all rentals are paid in advance for the term of the lease. Name of the depository bank is inserted herein solely for the purpose of shut-in royalty payments.

EXECUTED the day and year first above written.

Lenora Anderson

Social Security No. [illegible]

Shirley Jean Buford

Shirley Jean Buford

Social Security No. 445-62-5252

STATE OF ~~NEW MEXICO~~ OKLAHOMA,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of OKLAHOMA

The foregoing instrument was acknowledged before me this 1st day of June,

19 81 by Shirley Jean Buford, formerly known as Shirley Jean Brooks, dealing in her sole and separate property

My Commission expires April 17, 1985. Pamela L. Manning
Notary Public

STATE OF ~~NEW MEXICO~~ OKLAHOMA,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of OKLAHOMA

The foregoing instrument was acknowledged before me this 1st day of June,

19 81 by Lenora Anderson, formerly known as Lenora Brooks Buford, dealing in her sole and separate property

My Commission expires April 17, 1985. Pamela L. Manning
Notary Public

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of _____

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

19____ by _____

My Commission expires _____, 19____. _____
Notary Public

STATE OF _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of _____

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

19____ by _____

My Commission expires _____, 19____. _____
Notary Public

No. _____

OIL AND GAS LEASE
NEW MEXICO

FROM _____

TO _____

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

_____ County, New Mexico

Term _____

STATE OF NEW MEXICO
COUNTY OF _____

I hereby certify that this instrument was filed for record on the _____ day of _____,
A. D., 19____, at _____ o'clock _____ m., and was duly recorded in Book _____ at Page _____ of the Records of said County.

_____ County Clerk.

By _____ Deputy.

STATE OF NEW MEXICO

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of _____

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation
on behalf of said corporation.

My Commission Expires: _____ _____
Notary Public

STATE OF _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of _____

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation
on behalf of said corporation.

My Commission Expires: _____ _____
Notary Public

Producer's 85—(Producer's Revised 1980) (New Mexico) Form 342Y-1 8263

OIL & GAS LEASE

THIS AGREEMENT made this 30th day of March 1981, between

Alan W. Nalle and wife, Lida Lea Nalle

of
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~SIX (6)~~ months from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to $1.00 per net acre for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Austin National Bank Bank at Austin Texas 78701, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is farther granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee fails or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Lida Lea Nalle
Lida Lea Nalle

Alan W. Nalle
Alan W. Nalle
(Social Security No. 455 76 1139)

STATE OF ~~NEW MEXICO~~ TEXAS,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of TRAVIS,

The foregoing instrument was acknowledged before me this 28 day of ~~April~~ MAY,

19 81 by Alan W. Nalle and wife, Lida Lea Nalle

My Commission expires 06/30/84, 19____. Notary Public

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

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

19____ by _____

My Commission expires_____, 19____. Notary Public

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

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

19____ by _____

My Commission expires_____, 19____. Notary Public

STATE OF _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

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

19____ by _____

My Commission expires_____, 19____. Notary Public

No. 82663

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date_____, 19____

Section_____, Township_____, Range_____

No. of Acres _____

Term _____

STATE OF NEW MEXICO
COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 2nd day of June, A. D., 19 81, at 11:20 o'clock A m., and was duly recorded in Book 338 at Page 7 of the Records of said County.

Witness My Hand and Seal.

County Clerk.

By Lou Ann Deputy.

STATE OF NEW MEXICO

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____ Notary Public

STATE OF _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____ Notary Public

Vol 389 PAGE 456

DEED

THE STATE OF NEW MEXICO §
§
COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS:

8264

That I, HELEN HORN LEA, a widow, of the County of Midland and State of Texas, for and in consideration of the sum of TEN & NO/100 DOLLARS ($10.00) and for and in consideration of the love and affection that I have and bear for the Grantees herein named, have GRANTED, GIVEN AND CONVEYED, and by these presents do GRANT, GIVE AND CONVEY unto my daughter, LIDA LEA NALLE and husband, ALAN W. NALLE, of Travis County, Texas; and unto EDWARD BRETT LEA and wife, SUSANNA LEA, of Anderson County, Texas; and unto JERRY J. LEA and wife, LANA LEA, of Parker County, Texas; all and every right, title and interest which I have or may have, expressly including but not limited to oil, gas, and mineral estates, royalties and the right to received royalties, in and under theland located in the county of Lea and State of New Mexico, described as follows:

Township 14 South, Range 36 East, N.M.P.M.; Section 3 NW/4

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantees, their heirs, successors and assigns forever, so that neither I, nor my heirs, nor any person or persons claiming under me shall, at any time hereafter, have, claim, or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

EXECUTED this 29 day of November, 1980.

Helen Horn Lea
HELEN HORN LEA

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared HELEN HORN LEA, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 29th day of November, 1980.

David Bourk
NOTARY PUBLIC IN AND FOR TRAVIS COUNTY, TEXAS

8264

STATE OF NEW MEXICO - COUNTY OF LEA
FILED
JUN 2 1981
at 11:30 o'clock A. M and Recorded in
Book 389 Page 456
Donna Bridge, County Clerk
By Lee Ann Deputy

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of July, 1981.

ATTEST: CIBOLA ENERGY CORPORATION

Ronda L Holt
Secretary

Harvey E Yates
President

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 1st day of July, 1981, by Harvey E. Yates, Jr., President of CIBOLA ENERGY CORPORATION, a New Mexico Corporation, on behalf of said corporation.

My Commission Expires:

September 22, 1981

Virginia Lawrence
Notary Public

Getty Oil Company | P.O. Box 1231, Midland Texas 79702 • Telephone (915) 683-6301

R. J. Starrak, District Manager
Midland Exploration and Production District

July 1, 1981

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88201

Re: McDonald Unit
T13S, R36E & T14S, R36E
McDonald Area
Lea County, New Mexico

Gentlemen:

Getty Oil Company agrees to participate and commit its leasehold interest in the development of the above captioned unit as to its proportionate share of the unit ownership as set out in the Unit Agreement and Operating Agreement subject to the State approval of said unit.

Yours very truly,

GETTY OIL COMPANY

R. J. Starrak by HOWJr

R. J. Starrak
District Manager

HOWJr/sds

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 2
CASE NO. 2283
Submitted by Applicant
Hearing Date 7/2/81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 11th day of August, 1980.

ATTEST:

Asst Secretary

SAMEDAN OIL CORPORATION

By: Thomas C. Jobe, Vice-President

STATE OF Oklahoma)
) §§
COUNTY OF Carter)

The foregoing instrument was acknowledged before me this 11th day of August, 1980, by Thomas C. Jobe, Vice President of SAMEDAN OIL CORPORATION, a Delaware Corporation on behalf of said corporation.

My Commission Expires:

November 18, 1982

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

ATTEST:

CAYMAN EXPLORATION CORPORATION

Ronald A. Van De Vanter
Secretary

By T. A. Johnson, Jr.
T. A. Johnson, Jr. - President

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by T. A. Johnson, Jr., President of CAYMAN EXPLORATION CORPORATION, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires 5-21-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 29th day of May, 1981

ATTEST:

Secretary

GEO-DYNAMICS OIL & GAS, INC.
By: Adobe Oil & Gas Corporation

By:
H. R. Holcomb, Vice President

	DIVISION
APPROVAL	APPROVAL

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 29th day of May, 1981, by H.R. Holcomb, Vice President of GEO-DYNAMICS OIL & GAS, INC., a Corporation, on behalf of said corporation.

My Commission Expires:

SYLVIA MOLINAR
Notary Public in and
for Midland Co., TX
My Commission Expires 4-1-85

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

ATTEST:

Francis Mennis
Assistant Secretary

DALPORT OIL CORPORATION

W. L. Todd, Jr.
President

STATE OF TEXAS)
) ss
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by W. L. Todd, Jr. President of DALPORT OIL CORPORATION, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

5/12/84

Connie E. Hickman
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of October, 1980.

ATTEST:

Patricia Thomson
Secretary

PROFESSIONAL INVESTMENT AND TRUST COMPANY

F. L. Heidel
Vice-President

STATE OF NEW MEXICO)
) ss
COUNTY OF LEA)

The foregoing instrument was acknowledged before me this 7th day of October, 1980, by F. L. Heidel, Vice President of PROFESSIONAL INVESTMENT AND TRUST COMPANY, a New Mexico Corporation, on behalf of said corporation.

My Commission Expires:

5-14-83

Debra Ramirez
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

XXXXXXXX

SABINE PRODUCTION COMPANY

XXXXXXXXX
Secretary

B. L. House
Attorney-in-Fact

XXXXXXXXX
XXXXXXXXX

STATE OF TEXAS)
) SS
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by B. L. House, Attorney-in-Fact, XXXXXXXXX of SABINE PRODUCTION COMPANY, a Louisiana Corporation, on behalf of said corporation.

My Commission Expires:

1-31-81

Thelma Payne
Notary Public
Thelma Payne

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12 day of August, 1980.

WITNESS:

Kim Ureling

JOHN K. OVERBEY, Individually and as Trustee U/W of Joseph F. Overbey and Dora K. Overbey

STATE OF Alaska)
~~COUNTY~~ OF 3rd Judicial District) ss

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by JOHN K. OVERBEY. Individually and as Trustee U/W of Joseph F. Overbey and Dora K. Overbey.

My Commission Expires:

12-12-81

Maryanne Shields
Notary Public

Maryanne Shields
Notary Public
State of Alaska

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26 day of August, 1980.

WITNESS:

Pamela Davis

Eugene E. Nearburg
EUGENE E. NEARBURG

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 26 day of August, 1980, by EUGENE E. NEARBURG

My Commission Expires:

4-30-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

WITNESS:

_____

Anna A. Reischman
ANNA A. REISCHMAN

STATE OF NEW MEXICO)
) ss
COUNTY OF CHAVES)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by ANNA A. REISCHMAN.

My Commission Expires:

July 27, 1984

Rosemary Cuney
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

Nicki Lyon

A.M. Swarthout
A.M. SWARTHOUT

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by A.M. SWARTHOUT.

My Commission Expires:

4-12-84

Marcella D. Saykally
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of August, 1980.

WITNESS:

C. W. TRAINER

TRAINER, his wife

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 22 day of August, 1980, by C. W. TRAINER and Jackie TRAINER, his wife.

My Commission Expires:

OFFICIAL SEAL
Signed Ada Louise Puckett
ADA LOUISE PUCKETT
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires 3-19-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12 day of August, 1980.

WITNESS:

Gayle Hudgens
GAYLE HUDGENS

STATE OF Texas)
) ss
COUNTY OF Harris/Dallas)

The foregoing instrument was acknowledged before me this 12 day of August, 1980, by GAYLE HUDGENS.

My Commission Expires:

3-31-84

Jessie Yarbrough
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12th day of August, 1980.

WITNESS:

_____

GARY HUDGENS

STATE OF California)
) ss Santa Clara
COUNTY OF Santa Clara)

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by GARY HUDGENS.

My Commission Expires:

Feb 2, 1981

Notary Public

OFFICIAL SEAL
ROBERT D. JOHNSTON
NOTARY PUBLIC — CALIFORNIA
SANTA CLARA COUNTY
My Commission Expires February 2, 1981

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

_____

C. E. Marsh

C. E. MARSH II

_____

Loretta McDermott Marsh

LORETTA MCDERMOTT MARSH, his wife

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by C. E. MARSH II and LORETTA MCDERMOTT MARSH, his wife.

My Commission Expires:

_____

Edna I. Anderson

Notary Public

EDNA I. ANDERSON - Notary Public
MIDLAND COUNTY, TEXAS
My Commission Expires 10/5/80

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8 day of September, 1980.

WITNESS:

Patricia A. Yarbrough

Kenneth D. Lindsley III
HENRY D. LINDSLEY III

Chandler Lindsley
CHANDLER LINDSLEY, his wife.

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 8th day of September, 1980, by HENRY D. LINDSLEY III and CHANDLER LINDSLEY, his wife.

My Commission Expires:

6-30-84

Peggy L. Cockburn
Notary Public

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 1
CASE NO. 7283
Submitted by Applicant
Hearing Date 7/2/81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

Barbara D. Hardison

John R. Fitzgerald
JOHN R. FITZGERALD, Individually and as Executor of the Estate of Vestal Gertrude Fitzgerald, deceased

STATE OF Texas)
) ss
COUNTY OF Cameron)

The foregoing instrument was acknowledged before me this 31st day of July, 1980, by JOHN R. FITZGERALD, Individually and as Executor of the Estate of Vestal Gertrude Fitzgerald, deceased.

My Commission Expires:

6-4-81

Janet G. Aguirre
Notary Public

Janet G. Aguirre, Notary Public
In and For Cameron County, Texas
My Commission expires 6-4-81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

Nancy Lacy

Helen H. Lea
HELEN H. LEA

STATE OF Texas)
) SS
COUNTY OF Travis)

The foregoing instrument was acknowledged before me this 31st day of July, 1980, by HELEN H. LEA.

My Commission Expires:

6/30/84

David Bounds
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31d day of September, 1980.

WITNESS:

_____

Etta M. Brooks
ETTA M. BROOKS

STATE OF Virginia)
) ss
COUNTY OF Henrico)

The foregoing instrument was acknowledged before me this 31d day of September, 1980, by ETTA M. BROOKS.

My Commission Expires:

11-29-81

M. C. Lyford
(Comm as M. C. Hine)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12th day of August, 1980.

WITNESS:

_____

Evelyn R. Brooks
EVELYN R. BROOKS

STATE OF Virginia)
City) SS
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 13th day of August, 1980, by EVELYN R. BROOKS.

My Commission Expires:

6-2-82

Wanda L Chism
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Gladys Terrell
GLADYS TERRILL

STATE OF TEXAS)
) SS
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by GLADYS TERRILL.

My Commission Expires:

June 30, 1984

Lucille Boase (Lucille Boase)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Bruce T. Pearson
BRUCE T. PEARSON

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by BRUCE T. PEARSON.

My Commission Expires:

June 30, 1984

Lucille Boase (Lucille Boase)
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2nd day of August, 1980.

WITNESS:

J. Charlotte Wheaton

Allyne S. Carter

ALLYNE S. CARTER, Individually and as Trustee U/W of J. W. Carter, deceased

STATE OF California)
) SS
COUNTY OF Los Angeles)

The foregoing instrument was acknowledged before me this 2nd day of August, 1980, by ALLYNE S. CARTER, Individually and as Trustee U/W of J. W. Carter, deceased.

My Commission Expires:

J. CHARLOTTE WHEATON
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires Nov. 27, 1983

J. Charlotte Wheaton
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 28 day of August, 1980.

WITNESS:

Karen Ford

Alfred W. Langham
ALFRED WAYNE LANGHAM

STATE OF Georgia)
) SS
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 28th day of August, 1980, by ALFRED WAYNE LANGHAM.

My Commission Expires:

Notary Public, Richmond County, Georgia
My Commission Expires October 11, 1981.

Dorothy C. Clarke
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2nd day of September, 1980.

WITNESS:

Patricia Diane Langham
PATRICIA DIANE LANGHAM

STATE OF Texas)
) ss
COUNTY OF Dallas)

2nd The foregoing instrument was acknowledged before me this day of September, 1980, by PATRICIA DIANE LANGHAM.

My Commission Expires:

2-6-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31 day of July, 1980.

WITNESS:

Connie Lee Clark

Marcia Melda Lowe

JAMES J. LANEY

JEAN M. LANEY, his wife

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by JAMES J. LANEY and JEAN M. LANEY, his wife.

My Commission Expires:

July 31, 1984

Joan Carruthers
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

_____

Lorna G. Overbey
LORNA G. OVERBEY

STATE OF New Mexico)
) ss
COUNTY OF Roosevelt)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by LORNA G. OVERBEY.

My Commission Expires:

9-3-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of Sept., 1980.

WITNESS:

E. L. Odom

Vilma Easley

DANIEL W. VAREL

Barbara A. Varel

BARBARA A. VAREL, his wife

STATE OF Texas)
) SS
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 5th day of Sept., 1980, by DANIEL W. VAREL and BARBARA A. VAREL, his wife.

My Commission Expires:

7-18-81

C. E. Petchon

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

Paul H Rhodes

Thomas E Warren III

J. M. HEWGLEY, JR.

Eileen Rooney Hewgley

EILEEN ROONEY HEWGLEY, his wife

STATE OF Oklahoma)
) ss
COUNTY OF Tulsa)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by J. M. HEWGLEY, JR., and EILEEN ROONEY HEWGLEY, his wife.

My Commission Expires:

1-22-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8 day of August, 1980.

WITNESS:

Evelyn Bagwell

Buster C. Hathcock
BUSTER C. HATHCOCK
467-32-9741

STATE OF Texas)
) ss
COUNTY OF Eastland)

The foregoing instrument was acknowledged before me this 8 day of August, 1980, by BUSTER C. HATHCOCK.

My Commission Expires:

2-28-81

Audrey Rose
Notary Public

Audrey Rose
Notary Public
Eastland County, Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

_____

Jesse C. Hathcock
JESSE C. HATHCOCK

STATE OF Texas)
) ss
COUNTY OF Eastland)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by JESSE C. HATHCOCK.

My Commission Expires:

June 10, 1981

Virginia Ewing
Notary Public

Virginia Ewing
Notary Public
Eastland County, Texas

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of August, 1980.

WITNESS:

John T. Hathcock
JOHN T. HATHCOCK

STATE OF NORTH DAKOTA)
) §§
COUNTY OF MORTON)

The foregoing instrument was acknowledged before me this 7th day of August, 1980, by JOHN T. HATHCOCK.

My Commission Expires:
MARILYN A. JENSEN
Notary Public, MORTON CO., N. DAK.
My Commission Expires MARCH 14, 1985

Marilyn A. Jensen
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of August, 1980.

WITNESS:

Martha Bartolowits

Mary Ann Guess
MARY ANN GUESS

STATE OF Texas)
) ss
COUNTY OF Lavaca)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by MARY ANN GUESS.

My Commission Expires:

4-11-81

Judy Reed
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of August, 1980.

WITNESS:

Myrtle Hemingway

Bud Brooks
BUD BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 22 day of August, 1980, by BUD BROOKS.

My Commission Expires:

April 29, 1981

Estell Speed
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Kathleen S Cunningham

Joy Hathcock Key

JOY HATHCOCK KEY

STATE OF Florida)
) ss
COUNTY OF Dade)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by JOY HATHCOCK KEY.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA at LARGE
MY COMMISSION EXPIRES NOVEMBER 4, 1980
LOUIS THOMAS MAYNARD BONDED

Amy Miller

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 19th day of August, 1980.

WITNESS:

John D. House

Nelda Fay Brooks House
NELDA FAY BROOKS HOUSE

STATE OF Okla.)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 19th day of August, 1980, by NELDA FAY BROOKS HOUSE.

My Commission Expires:

11-17-82

Billy D. Layton
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

Lucy Wise

Cora May Brooks
CORA MAY BROOKS

STATE OF Oklahoma)
) ss
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by CORA MAY BROOKS.

My Commission Expires:

April 29, 1981

Edith Spears
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of Aug., 1980.

WITNESS:

_____

Lena Brooks Reilly
LENA BROOKS REILLY

STATE OF California)
) ss
COUNTY OF Fresno)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by LENA BROOKS REILLY.

My Commission Expires:

_____

Notary Public

OFFICIAL SEAL
Lowell E. Carlson
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
FRESNO COUNTY
My Commission Expires Sept. 28, 1981

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of September, 1980.

WITNESS:

_____

Clair Brooks Arthurs
CLAIR BROOKS ARTHURS

STATE OF California)
) ss
COUNTY OF Fresno)

The foregoing instrument was acknowledged before me this 15th day of September, 1980, by CLAIR BROOKS ARTHURS.

My Commission Expires:

December 7, 1982

Sandra K. Bruce
Notary Public

OFFICIAL SEAL
SANDRA K. BRUCE
NOTARY PUBLIC - CALIFORNIA
FRESNO COUNTY
My comm. expires DEC 7, 1982

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of August, 1980.

WITNESS:

_____

Cora Brooks Gault
CORA BROOKS GAULT

STATE OF Illinois)
) ss
COUNTY OF Ogle)

The foregoing instrument was acknowledged before me this 15th day of August, 1980, by CORA BROOKS GAULT.

My Commission Expires:

_____

Notary Public

Lewis E. Co

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

ATTEST:

_____
Secretary

ACOMA OIL CORPORATION

By: W. Earl Ward Jr.
President

STATE OF Minnesota)
) ss
COUNTY OF Ramsey)

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by W. Earl Ward Jr., President of ACOMA OIL CORPORATION, a Minnesota Corporation, on behalf of said corporation.

My Commission Expires:

_____

Vanessa M. Sluka
Notary Public

VANESSA M. SLUKA
NOTARY PUBLIC - MINNESOTA
WASHINGTON COUNTY
My Commission Expires Aug. 10, 1985

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of Aug., 1980.

WITNESS:

_____

Katheryn D. Bartley
KATHERYN D. BARTLEY

STATE OF Texas)
) ss
COUNTY OF Harris)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by KATHERYN D. BARTLEY.

My Commission Expires:

6-1-81

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8 day of August, 1980.

WITNESS:

Verna Pearl Roberts
VERNA P. ROBERTS

STATE OF Texas)
) ss
COUNTY OF Lubbock)

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by VERNA P. ROBERTS.

My Commission Expires:

2-21-84

Joyce Porter
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 20 day of August, 1980.

WITNESS:

Inez Rice

Myrtle Hemingway
MYRTLE BROOKS HEMINGWAY

STATE OF Oklahoma)
) §§
COUNTY OF Caddo)

The foregoing instrument was acknowledged before me this 20 day of August, 1980, by MYRTLE BROOKS HEMINGWAY.

My Commission Expires:

April 29, 1981

Edith Spear
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2ND day of August, 1980.

WITNESS:

Kathi Winters

Gyola Brooks Melton
GYOLA BROOKS MELTON

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this 2nd day of August, 1980, by GYOLA BROOKS MELTON.

My Commission Expires:

12-13-83

Cheryl Malecki
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Elvin Lewis
ELVIN LEWIS

Opal Lewis
OPAL LEWIS, his wife

STATE OF New Mexico)
) ss
COUNTY OF Sierra)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by ELVIN LEWIS and OPAL LEWIS, his wife.

My Commission Expires: 1/21/84

Judy Mattenson
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

WITNESS:

M. J. Ledbetter

Edna R Ashton
EDNA R. ASHTON

STATE OF ~~OKLAHOMA~~)
) SS
COUNTY OF ~~PAWNEE~~)

The foregoing instrument was acknowledged before me this ~~18th~~ day of ~~August~~, 1980, by EDNA R. ASHTON.

My Commission Expires:

~~October 15, 1980~~

Renew Findley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of September 1980.

WITNESS:

Nancy Kay Schantz

Laura M. Underhill

~~HAROLD B. DENTON~~ MICHAEL G. DENTON*

PAULINE DENTON, ~~his wife~~

STATE OF TEXAS)
) SS
COUNTY OF Dallas)

19th The foregoing instrument was acknowledged before me this day of September, 1980, by ~~HAROLD B. DENTON~~ and PAULINE DENTON, ~~His wife~~. MICHAEL G. DENTON*

My Commission Expires:

2-23-81

Notary Public

DeLYLA A. KESSEL, Notary Public
In and for Dallas County, Texas
My commission expires February 23, 1981

*PERSONAL REPRESENTATIVE OF
THE ESTATE OF HAROLD B. DENTON,
DECEASED

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest. ***

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of August, 1980.

***** This instrument has been executed by James A. Foster, Jr., and Joyca Foster with the understanding that the terms of the Unit Agreement referred to therein do not apply to any existing production on the lands covered thereby.**

WITNESS:

James A. Foster Jr.
JAMES A. FOSTER, JR.

Joyca Foster
JOYCA FOSTER

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 21 day of August, 1980, by JAMES A. FOSTER, JR., and JOYCA FOSTER.

My Commission Expires:

4-8-82

Randall Prince
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5 day of August, 1980.

WITNESS:

Mrs. M.C. Gandy

Virginia Mae Gilchrist
VIRGINIA MAE GILCHRIST

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 5 day of August, 1980, by VIRGINIA GILCHRIST.

My Commission Expires:

July 19 1984

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

WITNESS:

Patricia Thomason

Jeanne M. Jones

Howard Gilchrist
HOWARD GILCHRIST

Vada Gilchrist
VADA GILCHRIST, his wife

STATE OF NEW MEXICO)
) SS
COUNTY OF LEA)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by HOWARD GILCHRIST and VADA GILCHRIST, his wife.

My Commission Expires:

May 14, 1983

Debra Ramirez
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

WITNESS:

Hoyt M Roy
HOYT M. ROY

H P Roy
H. P. ROY, her husband

STATE OF New Mexico)
) SS
COUNTY OF Curry)

The foregoing instrument was acknowledged before me this 18th day of August, 1980, by HOYT M. ROY and H. P. ROY, her husband.

My Commission Expires:

9-13-82

Florence B Garnett
Notary Public

OFFICIAL SEAL
Signature Florence B Garnett
FLORENCE B. GARNETT
NOTARY PUBLIC NEW MEXICO
Notary Bond Filed with Secretary of State
My Commission Expires: 9-13-82

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30th. day of July, 1980.

WITNESS:

_____

Byrel A. Moore
BYREL A. MOORE

Elizabeth Moore
ELIZABETH MOORE, his wife

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 30th. day of July, 1980, by BYREL A. MOORE and ELIZABETH MOORE, his wife.

My Commission Expires:

My Commission Expires: June 30, 1982.

Sylvia McCabe
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22nd day of September, 1980.

WITNESS:

Lucie Stowell

Norene Nelson

Alta Lee Glidewell
ALTA LEE GLIDEWELL

Joe Glidewell
JOE GLIDEWELL, her husband

STATE OF Oklahoma)
) ss
COUNTY OF Lincoln)

The foregoing instrument was acknowledged before me this 22nd day of Sept., 1980, by ALTA LEE GLIDEWELL and JOE GLIDEWELL, her husband.

My Commission Expires:

8-13-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 27th day of August, 1980.

WITNESS:

Sue Beasley

Gregory L Deevers
GREGORY LYNN DEEVERS

STATE OF OKLAHOMA)
) ss
COUNTY OF GARVIN)

The foregoing instrument was acknowledged before me this 27th day of August, 1980, by GREGORY LYNN DEEVERS.

My Commission Expires:

12-20-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 29 day of July, 1980.

WITNESS:

Linda Joyce

Lucille F. McKinley
LUCILLE F. McKINLEY

W.H. McKinley
W.H. McKINLEY, her husband

STATE OF New Mexico)
) ss
COUNTY OF Eddy)

The foregoing instrument was acknowledged before me this 29th day of July, 1980, by LUCILLE F. McKINLEY and W.H. McKINLEY, her husband.

My Commission Expires:

7-5-83

Marian Chapman
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

Jice O. Wells

x Betty Monroe

Randall T. Montgomery
RANDALL MONTGOMERY

Mildred M. Montgomery
MILDRED M. MONTGOMERY, his wife

STATE OF Texas)
) ss
COUNTY OF Montgomery)

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by RANDALL MONTGOMERY and MILDRED M. MONTGOMERY, his wife.

My Commission Expires:

Oct. 18, 1980

Jice O. Wells
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 2 day of September, 1980.

WITNESS:

_____

Leon Hemann
LEON O. HEMANN

_____

Betty M. Hemann
BETTY M. HEMANN, his wife

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 2 day of September, 1980, by LEON O. HEMANN and BETTY M. HEMANN, his wife.

My Commission Expires:

February 28, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 13th day of August, 1980.

WITNESS:

_____

_____

RICHARD R. PETTIGREW

DORIS M. PETTIGREW, his wife

STATE OF New Mexico)
) ss
COUNTY OF Curry)

The foregoing instrument was acknowledged before me this 13 day of August, 1980, by RICHARD R. PETTIGREW and DORIS M. PETTIGREW, his wife.

My Commission Expires:

MY COMMISSION EXPIRES AUG. 19, 1983

Helen Kelley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of August, 1980.

WITNESS:

Travis Denton
TRAVIS DENTON

Tressie Denton
TRESSIE DENTON, his wife

STATE OF Texas)
) ss
COUNTY OF Howard)

The foregoing instrument was acknowledged before me this 6 day of August, 1980, by TRAVIS DENTON and TRESSIE DENTON, his wife.

My Commission Expires:

Enid L. Hamby
Notary Public

ENID L. HAMBY
Notary Public In and For
Howard County, Texas
My commission expires 10-31-[illegible]

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18 day of August, 1980.

WITNESS:

_____

Iona McClish
IONA MCCLISH

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 18 day of August, 1980, by IONA MCCLISH.

My Commission Expires:

February 28, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

Deedie Luttes

Jana Batty

H. H. TRACY

Audrey P. Tracy
AUDREY P. TRACY, his wife

STATE OF Louisiana)
Parish) SS
~~County~~ OF Catahoula)

The foregoing instrument was acknowledged before me this 8th day of Aug, 1980, by H. H. TRACY and AUDREY P. TRACY, his wife.

My Commission Expires:

At Death

H. A. Taliaferro Jr
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of August, 1980.

WITNESS:

Steven Dilworth

Johnny B Bass

Vallie Humphries
VALLIE HUMPHRIES

J. D. Humphries
J. D. HUMPHRIES, her husband

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 1 day of Aug., 1980, by VALLIE HUMPHRIES and J. D. HUMPHRIES, her husband.

My Commission Expires:

April 18, 1983

Sharon Brown
Notary Public

OFFICIAL SEAL
Signature Sharon Brown
SHARON BROWN
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires April 18, 1983

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30th day of July, 1980.

WITNESS:

_____

Evelyn B. Walton
EVELYN B. WALTON

STATE OF NEW MEXICO)
) ss
COUNTY OF DONA ANA)

The foregoing instrument was acknowledged before me this 30th day of July, 1980, by EVELYN B. WALTON.

My Commission Expires:
February 15, 1981

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31st day of July, 1980.

WITNESS:

_____

Edgar Meroney Jr
EDGAR MERONEY, JR.

STATE OF Arizona)
) ss
COUNTY OF Mohave)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by EDGAR MERONEY, JR.

My Commission Expires:

My Commission Expires Jan. 6, 1984

Vera B. Gannon
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 18th day of August, 1980.

ATTEST:

Ray Wilburn
Secretary

TATUM INDEPENDENT SCHOOL DISTRICT

By: S Jane Jones
President

STATE OF New Mexico)
) SS
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 18 day of August, 1980, by Ray Wilburn Secretary & S Jane Jones President of the TATUM INDEPENDENT SCHOOL DISTRICT, on behalf of said District.

My Commission Expires:

July 19, 1984

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of August, 1980.

WITNESS:

Susan M. Gale

Opal Meroney Storkman

OPAL MERONEY STORKMAN

STATE OF Calif.)
) ss
COUNTY OF Yolo)

The foregoing instrument was acknowledged before me this 4 day of August, 1980, by OPAL MERONEY STORKMAN.

My Commission Expires:

1-13-83

Susan M. Gale
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of August, 1980.

WITNESS:

Ann Pierce

Pauline Burnett
PAULINE BURNETT

STATE OF Texas)
) ss
COUNTY OF Ector)

The foregoing instrument was acknowledged before me this 1st day of August, 1980, by PAULINE BURNETT.

My Commission Expires:

6 30 84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14th day of August, 1980.

WITNESS:

Patricia L. Fulwider
Patricia L. Fulwider

Thelma A. Meroney
THELMA A. MERONEY

STATE OF TEXAS)
) SS
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 14th day of August, 1980, by THELMA A. MERONEY.

My Commission Expires:

My Commission Expires May 16, 1981

Virginia Holley, Notary Public
Tarrant County, Texas

Virginia Holley
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 30 day of July, 1980.

WITNESS:

Ann Meroney Robinson
ANN MERONEY ROBINSON

STATE OF Texas)
) ss
COUNTY OF Tarrant)

The foregoing instrument was acknowledged before me this 30 day of July, 1980, by ANN MERONEY ROBINSON.

My Commission Expires:

June 8, 1981

Wanda O'Leary
Notary Public

WANDA O'LEARY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 8th day of August, 1980.

WITNESS:

Judy Berryhill

Effie C. Wilson
EFFIE C. WILSON

STATE OF Texas)
) SS
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 8th day of August, 1980, by EFFIE C. WILSON.

My Commission Expires:

August 31, 1982

Brenda Gordey
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 31 day of July, 1980.

WITNESS:

Shirley M. Sidney

Sudie Lee Carrell
SUDIE LEE CARRELL

STATE OF Texas)
) ss
COUNTY OF Potter)

The foregoing instrument was acknowledged before me this 31 day of July, 1980, by SUDIE LEE CARRELL.

My Commission Expires:

6-26-81

Bessie Ors
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 9th day of February, 1980.

WITNESS:

Beth Thomas

Roy Brooks
ROY BROOKS

STATE OF Oklahoma)
) SS
COUNTY OF Oklahoma)

The foregoing instrument was acknowledged before me this 9th day of February, 1980, by ROY BROOKS.

My Commission Expires:

November 20, 1983

Dixie Scruggs
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of February, 1981 ~~1980~~.

WITNESS:

June B. Brown

June B. Brown

HAROLD L. BRIDGEFORTH

Delores W. Bridgeforth

DELORES W. BRIDGEFORTH, his wife

STATE OF New Mexico)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 7th day of February, ~~1980~~ 1981, by HAROLD L. BRIDGEFORTH and DELORES W. BRIDGEFORTH, his wife.

My Commission Expires:

April 17 1984

June B. Brown
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6 day of February, 1981.

WITNESS:

Norma J. Hayes

Dorothy P. Mack

DOROTHY P. MACK

STATE OF Calif.)
) ss
COUNTY OF San Diego)

The foregoing instrument was acknowledged before me this 6 day of February, 1981, by DOROTHY P. MACK.

My Commission Expires:

10-05-84

Norma J. Hayes
Notary Public

OFFICIAL SEAL
NORMA J. HAYES
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Expires October 5, 1984

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 21 day of January, 1981.

WITNESS:

J. C. Mesker

Joe A McDonald
JOE A. MCDONALD, sole surviving heir of Olivia McDonald

STATE OF Oklahoma)
) SS
COUNTY OF Greer)

The foregoing instrument was acknowledged before me this 21 day of January, 1981, by JOE A. MCDONALD as sole surviving heir of Olivia McDonald.

My Commission Expires:

3-1-82

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 17th day of January, ~~1980~~ 1981.

WITNESS:

Mary Conner

Otis J. Roach
OTIS J. ROACH

STATE OF Texas)
) ss
COUNTY OF Jasper)

The foregoing instrument was acknowledged before me this 17th day of January, ~~1980~~ 1981, by OTIS J. ROACH.

My Commission Expires:

2-25-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 15th day of January, 1980.

WITNESS:

Tom L. Ingram
TOM L. INGRAM

Joan L. Ingram
JOAN L. INGRAM, his wife

STATE OF New Mexico)
) SS
COUNTY OF Chaves)

The foregoing instrument was acknowledged before me this 15th day of January, 1981, by TOM L. INGRAM and JOAN L. INGRAM, his wife.

My Commission Expires:

October 21, 1984

Margaret P. Cochran
Notary Public

OFFICIAL SEAL
Signature Margaret P. Cochran
MARGARET P. COCHRAN
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires 10/21/84

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 14 day of January, ~~1980~~ 1981.

WITNESS:

H. T. Hemwall

Dorothy M. Street
DOROTHY M. STREET, Agent and Attorney-in-Fact for Maude P. Stovall, a widow.

STATE OF Texas)
) SS
COUNTY OF Young)

The foregoing instrument was acknowledged before me this 14th day of January, ~~1980~~ 1981, by DOROTHY M. STREET, Agent and Attorney-in-Fact for Maude P. Stovall, a widow.

My Commission Expires:

2/18/81

Barbara Freeman
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 16th day of June, 1981.

ATTEST:

PENNZOIL COMPANY

APPROVED

_____
Secretary

James T. Goodwyn, Jr.
Agent and Attorney-in-Fact

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 16th day of June, 1981, by James T. Goodwyn, Jr., Agent and Attorney-in-Fact, of PENNZOIL COMPANY, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

March 20, 1984

Notary Public

KAREN STACK

BOOK 331 PAGE 466 — 32716 — 2607

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

OIL & GAS LEASE

THIS AGREEMENT made this 30th day of July, 1980, between

J. Hugh Liedtke and wife, Betty Lyn Liedtke

P. O. Box 2967, Houston, Texas 77001
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of one years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4th of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4th of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4th of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to ~~the amount of delay rental provided for in this lease~~ the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, ~~unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of~~ *See Paragraph 12 ~~which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during~~ the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the * Texas Commerce Bank at Houston, Texas 77001, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. ~~Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall~~ nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessor shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby ~~warrants and agrees to defend the title to said land, and agrees~~ agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. There are no rentals due on this lease. Depository bank is inserted solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

~~Betty Lyn Liedtke~~

J. Hugh Liedtke
(Soc. Sec. No. 447-12-8283)

Betty Lyn Liedtke
(Soc.Sec.No. 446-36-3285)

STATE OF TEXAS
County of HARRIS

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of August, 1980 by J. Hugh Liedtke and wife, Betty Lyn Liedtke

CYNTHIA S. McMAHAN
Notary Public in Harris County
for the State of Texas
My Commission Expires July 23, 1981

My Commission expires July 23, 1981.

Cynthia S. McMahan
Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____,
19____ by _____

My Commission expires _____, 19____.

Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____,
19____ by _____

My Commission expires _____, 19____.

Notary Public

STATE OF _____
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____,
19____ by _____

My Commission expires _____, 19____.

Notary Public

No. 32716

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

STATE OF NEW MEXICO
COUNTY OF _____

I hereby certify that this instrument was filed for record on the 2nd day of September, A. D., 1980, at 1:35 o'clock P. M., and was duly recorded in Book 331 at Page 466 of the Records of said County.

Jeanne Kirkpatrick
County Clerk.

By Gail Rhodes
Deputy.

STATE OF NEW MEXICO
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____, _____ President
of _____ a _____ corporation
on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____
by _____, _____ President
of _____ a _____ corporation
on behalf of said corporation.

My Commission Expires: _____

Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

290023 BOOK 329 PAGE 345

OIL & GAS LEASE

THIS AGREEMENT made this 6th day of August 19 80, between

L. Dene Stephens and wife, Johnnie M. Stephens

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, New Mexico 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 13 South, Range 36 East, N.M.P.M.

Section 34: N/2 SW/4 & SE/4 SW/4

$1.00 per net acre

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 120.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of one years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to the [redacted] delay rentals provided for in this lease for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $*See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bosque County Bank at *Meridian, Texas 76665, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee fails or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12, No rentals are due on this lease; name and address of depository bank are inserted herein solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

X Johnnie M. Stephens
Johnnie M. Stephens

X L. Dene Stephens
L. Dene Stephens

BOOK 329 PAGE 346

TEXAS

STATE OF ~~NEW MEXICO~~

County of ~~PUBLIC~~ Hopkins

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 15th day of August, 19 80 by L. Dene Stephens and wife, Johnnie M. Stephens

My Commission expires 6-30-84, 19____.

(Carl S Bruce) Carl S Bruce
Notary Public in Hopkins Co. for the State of Texas

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

STATE OF _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

No. 29023

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date_____, 19____

Section_____, Township_____, Range_____

No. of Acres _____

STATE OF NEW MEXICO
COUNTY OF Chaves

I hereby certify that this instrument was filed for record on the 20 day of August, A. D., 19 80 at 3:45 o'clock P. m., and was duly recorded in Book 329 at Page 345 of the Records of said County.

Witness my hand and seal of said County.

Irene Vaught County Clerk.

By Rue Mayfield Deputy.

STATE OF NEW MEXICO

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of_____, 19____

by_____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____

Notary Public

STATE OF _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of_____

The foregoing instrument was acknowledged before me this _____ day of_____, 19____

by_____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____

Notary Public

Producer's 88—(Producer's Revised 1960) ...ew Mexico) Form 342Y-1

27033 94P

BOOK 328 PAGE 585

OIL & GAS LEASE

THIS AGREEMENT made this 1st day of July 19 80, between

Terry Lynn Buford (a/k/a Terry Lynn Brooks), and Julie Ann Brooks Kline,

both married persons dealing in their sole and separate property,

of
(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, New Mexico 88201 lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: Southwest One-Quarter (SW/4)

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 3/16 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 3/16 of the gas used, provided that on gas sold on or off the premises the royalty shall be 3/16 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to ~~the amount of delay rentals provided for in this lease for~~ the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

$1.00 per net acre

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of *See Paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the * Bank at which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessee shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

*12. This is a paid-up lease and all rentals are paid in full for the term of the lease. Name of depository bank is inserted herein solely for the purpose of shut-in royalty payments.

Executed the day and year first above written.

Terry Lynn Buford

Julie Ann Brooks Kline

(Social Security No. 455-60-5131)

(Social Security No. 445-67-3454)

BOOK 328 PAGE 586

STATE OF ~~NEW MEXICO~~ OKLAHOMA
County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 6th day of July, 19 80 by Terry Lynn Buford (a/k/a Terry Lynn Brooks), a married man dealing in his sole and separate property.

My Commission expires June 16, 1984. Sherry D. Williamson Notary Public

STATE OF ~~NEW MEXICO~~ OKLAHOMA
County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 6th day of July, 19 80 by Julie Ann Brooks Kline, a married woman dealing in her sole and separate property

My Commission expires June 16, 1984. Sherry D. Williamson Notary Public

STATE OF NEW MEXICO
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____. Notary Public

STATE OF _____
County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____

My Commission expires _____, 19____. Notary Public

No. 27033

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

_____ County, New Mexico

Term _____

STATE OF NEW MEXICO
COUNTY OF OKLAHOMA

I hereby certify that this instrument was filed for record on the 10th day of July A. D., 19 80 at 11:15 o'clock A.M., and was duly recorded in Book 328 at Page 585 of the Records of said County.

Jane Ann Brown County Clerk.
By Deputy.

STATE OF NEW MEXICO
County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____, _____ President of _____ a _____ corporation on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____
County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____, _____ President of _____ a _____ corporation on behalf of said corporation.

My Commission Expires: _____ Notary Public

3750

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

BOOK 338 PAGE 140

OIL & GAS LEASE

8547

THIS AGREEMENT made this 30th day of March 1981, between

Edward Brett Lea and wife, Suzanne Lea

of

(Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for Months

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~six (6) years~~ from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the wells 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to the amount of delivery royalty provided herein for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ * see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Bank at , which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns, if such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. *Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall* nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated, thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Suzanne Lea
Suzanne Lea
455-80-1029

Edward Brett Lea
Edward Brett Lea
(Social Security No. 461-18-9053)

TEXAS

STATE OF ~~NEW MEXICO~~,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of ANDERSON

The foregoing instrument was acknowledged before me this 2nd day of June,

19 81 by Edward Brett Lea and wife, Suzanne Lea

Notary Public

My Commission expires February 27, 19 85 LISA D. DEEL

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this day of,

19 by

Notary Public

My Commission expires, 19.

STATE OF NEW MEXICO,

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this day of,

19 by

Notary Public

My Commission expires, 19.

STATE OF

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this day of,

19 by

Notary Public

My Commission expires, 19.

No. 8547

OIL AND GAS LEASE

NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO

COUNTY OF

I hereby certify that this instrument was filed for record on the 8th day of June, A. D. 19 81, at 11:30 o'clock A. M., and was duly recorded in Book 338 at Page 140 of the Records of said County.

County Clerk.

By Deputy.

STATE OF NEW MEXICO

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

County of

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

Notary Public

My Commission Expires:

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

500r 338 PAGE 142

OIL & GAS LEASE

8548

THIS AGREEMENT made this 30th day of March 19 81, between

Jerry J. Lea and wife, Lana Lea

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for

months

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~six (6)~~ from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 30 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal to the amount of delay rentals provided for in this lease for the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the _____ Bank at _____, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut-in royalty payments.

EXECUTED on the day and year first above written.

Lana Lea

Jerry J. Lea

(Social Security No. 641-64-9985)

STATE OF [illegible], TEXAS
County of PARKER

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June, 19 81 by Jerry J. Lea and wife, Lana Lea

My Commission expires 11-19, 19 81.

Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

STATE OF NEW MEXICO,
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

STATE OF
County of

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19 by

My Commission expires, 19.

Notary Public

No. 8548

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date, 19

Section, Township, Range

No. of Acres

County, New Mexico

Term

STATE OF NEW MEXICO
COUNTY OF Eddy

I hereby certify that this instrument was filed for record on the 8th day of June, A. D., 19 81, at 11:50 o'clock A m., and was duly recorded in Book 338 at Page 142 of the Records of said County.

Witness My Hand and Seal of Office

County Clerk.

By Deputy.

STATE OF NEW MEXICO
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19.

by, President

of a corporation

on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF
County of

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this day of, 19

by, President

of a corporation

on behalf of said corporation.

My Commission Expires:

Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

OIL & GAS LEASE

THIS AGREEMENT made this 5th day of January 19 81, between

Shirley Jean Buford, formerly known as Shirley Jean Brooks, and Lenora Anderson, formerly known as Lenora Brooks Buford, both dealing in their sole and separate property

of
(Post Office Address)

hereinafter called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201 lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.
Section 3: SW/4

$1.00 per net acre for

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three years from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 3/16 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 3/16 of the gas used, provided that on gas sold on or off the premises the royalty shall be 3/16 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender on such once annual shut-in royalty equal [redacted] the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ * see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Community Bank Bank at P.O. Box 32282, Oklahoma City, OK 73132, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor, together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. This is a paid-up lease and all rentals are paid in advance for the term of the lease. Name of the depository bank is inserted herein solely for the purpose of shut-in royalty payments.

EXECUTED the day and year first above written.

Lenora Anderson

Social Security No. 446-36-7431

Shirley Jean Buford

Social Security No. 445-62-5252

STATE OF ~~NEW MEXICO~~ OKLAHOMA,

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June,

19 81 by Shirley Jean Buford, formerly known as Shirley Jean Brooks, dealing in her sole and separate property

My Commission expires April 17, 1985. Notary Public

STATE OF ~~NEW MEXICO~~ OKLAHOMA,

County of OKLAHOMA

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 1st day of June,

19 81 by Lenora Anderson, formerly known as Lenora Brooks Buford, dealing in her sole and separate property

My Commission expires April 17, 1985. Notary Public

STATE OF NEW MEXICO,

County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

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

19____ by _____

My Commission expires _____, 19____. Notary Public

STATE OF _____

County of _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

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

19____ by _____

My Commission expires _____, 19____. Notary Public

No. _____

OIL AND GAS LEASE
NEW MEXICO

FROM .....

TO .....

.....

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____

_____ County, New Mexico

Term _____

STATE OF NEW MEXICO
COUNTY OF _____

I hereby certify that this instrument was filed for record on the _____ day of _____,
A. D., 19____, at _____ o'clock _____ m., and was duly recorded in Book _____ at Page _____
of the Records of said County.

_____ County Clerk.

By _____ Deputy.

STATE OF NEW MEXICO

County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation
on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

County of _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____

by _____, _____ President

of _____ a _____ corporation
on behalf of said corporation.

My Commission Expires: _____ Notary Public

Producer's 88—(Producer's Revised 1980) (New Mexico) Form 342Y-1

8263

OIL & GAS LEASE

THIS AGREEMENT made this 30th day of March, 1981, between

Alan W. Nalle and wife, Lida Lea Nalle

of (Post Office Address)

herein called lessor (whether one or more) and HARVEY E. YATES COMPANY, P. O. Box 1933, Roswell, NM 88201, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals, the following described land in Lea County, New Mexico, to-wit:

Township 14 South, Range 36 East, N.M.P.M.

Section 3: NW/4

$1.00 per net acre for

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 160.0 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~Six (6)~~ months from this date (called "primary term"), and as long thereafter as oil or gas is produced from said land or land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, 1/4 of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; (b) on gas, including casinghead gas and all gaseous substance produced from said land and sold or used off the premises or used in the manufacture of gasoline or other product therefrom, the market value at the well of 1/4 of the gas used, provided that on gas sold on or off the premises the royalty shall be 1/4 of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance annual shut-in royalty equal [redacted] the acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered this lease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing, or be paid or tendered to the credit of such party or parties in the depository bank and in the manner hereinafter provided for the payment of rentals. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contract entered into in good faith by Lessee and gas purchaser for such term and under such conditions as are customary in the industry. 'Price' shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders.

4. If operations for drilling are not commenced on said land or on land pooled therewith on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of $ *see paragraph 12 which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months. In like manner and upon like payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of twelve (12) months each during the primary term. Payment or tender may be made to the lessor or to the credit of the lessor in the Austin National Bank Bank at Austin, Texas 78701, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's heirs and assigns. If such bank (or any successor bank) shall fail, liquidate or be succeeded by another bank, or for any reason shall fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another acceptable method of payment or tender, and any depository charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or any lessor if more than one, on or before the rental paying date. Any timely payment or tender of rental or shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof by certified mail from lessor together with such instruments as are necessary to enable lessee to make proper payment.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit. Lessee is further granted the right and power to commit this lease as to all or any portion of the above described lands or horizons thereof to any unit agreement for the purpose of conserving the natural resources of any oil or gas pool, field or area covered thereby; provided, such unit agreement contains usual and customary provisions for the allocation of oil and gas produced from the unit area and upon such commitment the provisions of this lease shall be conformed to the unit agreement.

6. If prior to the discovery of oil or gas hereunder, lessee should drill and abandon a dry hole or holes hereunder, or if after discovery of oil or gas the production thereof should cease for any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within 60 days thereafter and diligently prosecutes the same, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three months from date of abandonment of said dry hole or holes or the cessation of production. If at the expiration of the primary term oil and gas is not being produced but lessee is then engaged in operations for drilling or reworking of any well, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days. If during the drilling or reworking of any well under this paragraph, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations then within 30 days after the abandonment of said operations lessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipe lines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns; but no change or division in the ownership of the land, or in the ownership of or right to receive rentals, royalties or payments, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may pay or tender any rentals, royalties or payments to the credit of the deceased or his estate in the depository bank until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratable according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall so comply or make such payments. Rentals as used in this paragraph shall also include shut-in royalty.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby [redacted] agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, rental and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its/its successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors, and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the rentals and shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. No rentals are due on this lease; name of depository bank is inserted herein solely for the purpose of any shut in royalty payments.

EXECUTED on the day and year first above written.

Lida Lea Nalle
Lida Lea Nalle

Alan W. Nalle
Alan W. Nalle
(Social Security No. 455-76-4439)

STATE OF ~~NEW MEXICO~~ TEXAS,

County of TRAVIS

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this 28 day of ~~April~~ MAY, 19 81 by Alan W. Nalle and wife, Lida Lea Nalle

My Commission expires 06/30/84, 19____.

David Bounds
Notary Public

STATE OF NEW MEXICO,

County of_____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

STATE OF NEW MEXICO,

County of_____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

STATE OF _____

County of_____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____ by _____

My Commission expires_____, 19____.

Notary Public

No. 8263

OIL AND GAS LEASE
NEW MEXICO

FROM

TO

Date_____, 19____

Section_____, Township_____, Range_____

No. of Acres_____

Term_____

_____County, New Mexico

STATE OF NEW MEXICO
COUNTY OF Lea

I hereby certify that this instrument was filed for record on the 3rd day of June, A. D., 19 81, at 11:20 o'clock A. m., and was duly recorded in Book 338 at Page 7 of the Records of said County.

Witness my hand and seal of office

Thomas O. Rouse
County Clerk.

By Jan Meeks
Deputy.

STATE OF NEW MEXICO

County of_____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____

by_____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____

Notary Public

STATE OF _____

County of_____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

The foregoing instrument was acknowledged before me this _____ day of_____, 19____

by_____, _____ President

of _____ a _____ corporation

on behalf of said corporation.

My Commission Expires:_____

Notary Public

Deed Book 389 Page 456

DEED

THE STATE OF NEW MEXICO §
§
COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS:

8264

That I, HELEN HORN LEA, a widow, of the County of Midland and State of Texas, for and in consideration of the sum of TEN & NO/100 DOLLARS ($10.00) and for and in consideration of the love and affection that I have and bear for the Grantees herein named, have GRANTED, GIVEN AND CONVEYED, and by these presents do GRANT, GIVE AND CONVEY unto my daughter, LIDA LEA NALLE and husband, ALAN W. NALLE, of Travis County, Texas; and unto EDWARD BRETT LEA and wife, SUSANNA LEA, of Anderson County, Texas; and unto JERRY J. LEA and wife, LANA LEA, of Parker County, Texas; all and every right, title and interest which I have or may have, expressly including but not limited to oil, gas, and mineral estates, royalties and the right to received royalties, in and under theland located in the county of Lea and State of New Mexico, described as follows:

Township 14 South, Range 36 East, N.M.P.M.; Section 3 NW/4

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantees, their heirs, successors and assigns forever, so that neither I, nor my heirs, nor any person or persons claiming under me shall, at any time hereafter, have, claim, or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

EXECUTED this 29 day of November, 1980.

Helen Horn Lea
HELEN HORN LEA

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared HELEN HORN LEA, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 29th day of November, 1980.

David Bounds
NOTARY PUBLIC IN AND FOR TRAVIS COUNTY, TEXAS

8264

STATE OF NEW MEXICO - COUNTY OF LEA
FILED
JUN 2 1981
at 1:30 o'clock A. M and Recorded in
Book 389 Page 456
Donna Bedge, County Clerk
By Rue Thurston Deputy

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 1st day of July, 1981.

ATTEST: CIBOLA ENERGY CORPORATION

Ronda L Holt
Secretary

Harry E Yates
President

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 1st day of July, 1981, by Harvey E. Yates, Jr., President of CIBOLA ENERGY CORPORATION, a New Mexico Corporation, on behalf of said corporation.

My Commission Expires:

September 22, 1981

Virginia Lawrence
Notary Public

Getty Oil Company | P.O. Box 1231, Midland, Texas 79702 • Telephone (915) 683-6301

R. J. Starrak, District Manager
Midland Exploration and Production District

July 1, 1981

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88201

Re: McDonald Unit
T13S, R36E & T14S, R36E
McDonald Area
Lea County, New Mexico

Gentlemen:

Getty Oil Company agrees to participate and commit its leasehold interest in the development of the above captioned unit as to its proportionate share of the unit ownership as set out in the Unit Agreement and Operating Agreement subject to the State approval of said unit.

Yours very truly,

GETTY OIL COMPANY

R. J. Starrak by [illegible]
R. J. Starrak
District Manager

HOWJr/sds

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 2
CASE NO. 7283
Submitted by Applicant
Hearing Date 7/2/81

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 11th day of August, 1980.

ATTEST:

Wilma E. Woodley
Asst Secretary

SAMEDAN OIL CORPORATION

By: Thomas C. Jobe
Thomas C. Jobe Vice-President

STATE OF Oklahoma)
) ss
COUNTY OF Carter)

The foregoing instrument was acknowledged before me this 11th day of August, 1980, by Thomas C. Jobe, Vice President of SAMEDAN OIL CORPORATION, a Delaware Corporation on behalf of said corporation.

My Commission Expires:

November 18, 1982

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

ATTEST:

Ronald A. Van De Vanter
Secretary

CAYMAN EXPLORATION CORPORATION

BY T. A. Johnson, Jr.
President

STATE OF OKLAHOMA)
) ss
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by T. A. Johnson, Jr., President of CAYMAN EXPLORATION CORPORATION, a Delaware, Corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires 9-21-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 29th day of May, 1981

ATTEST:

Secretary

GEO-DYNAMICS OIL & GAS, INC.
By: Adobe Oil & Gas Corporation

By: H. R. Holcomb, Vice President

	DIVISION
APPROVAL	APPROVAL

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 29th day of May, 1981, by H.R. Holcomb, Vice President of GEO-DYNAMICS OIL & GAS, INC., a Corporation, on behalf of said corporation.

My Commission Expires:
SYLVIA MOLINAR
Notary Public in and
for Midland Co., TX
My Commission Expires 4-1-85

Sylvia Molinar
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein and royalties presently held or which may arise existing agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

ATTEST:

DALPORT OIL CORPORATION

Assistant Secretary

President

STATE OF TEXAS)
) ss
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by W. L. Todd, Jr. President of DALPORT OIL CORPORATION, a Delaware Corporation, on behalf of said corporation.

My Commission Expires:

5/12/84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 7th day of October, 1980.

ATTEST:

Patricia Thomson
Secretary

PROFESSIONAL INVESTMENT AND TRUST COMPANY

F. L. Heidel
Vice-President

STATE OF NEW MEXICO)
) ss
COUNTY OF LEA)

The foregoing instrument was acknowledged before me this 7th day of October, 1980, by F. L. Heidel, Vice President of PROFESSIONAL INVESTMENT AND TRUST COMPANY, a New Mexico Corporation, on behalf of said corporation.

My Commission Expires:

5-14-83

Debra Ramirez
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of August, 1980.

~~ATTEST~~

SABINE PRODUCTION COMPANY

~~Secretary~~

B. L. House
Attorney-in-Fact

~~President~~

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 4th day of August, 1980, by B. L. House, Attorney-in-Fact, ~~President~~ of SABINE PRODUCTION COMPANY, a Louisiana Corporation, on behalf of said corporation.

My Commission Expires:

1-31-81

Notary Public
Thelma Payne

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12 day of August, 1980.

WITNESS:

Kim Ureling

John K. Overbey

JOHN K. OVERBEY, Individually and as Trustee U/W of Joseph F. Overbey and Dora K. Overbey

STATE OF Alaska)
COUNTY OF 3rd Judicial District) ss

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by JOHN K. OVERBEY, Individually and as Trustee U/W of Joseph F. Overbey and Dora K. Overbey.

My Commission Expires:

12-12-81

Maryanne Shields
Notary Public

Maryanne Shields
Notary Public
State of Alaska

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 26 day of August, 1980.

WITNESS:

Pamela Davis

Eugene E. Nearburg
EUGENE E. NEARBURG

STATE OF Texas)
) ss
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 26 day of August, 1980, by EUGENE E. NEARBURG

My Commission Expires:

1-31-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 6th day of August, 1980.

WITNESS:

_____

Anna A. Reischman
ANNA A. REISCHMAN

STATE OF NEW MEXICO)
) ss
COUNTY OF CHAVES)

The foregoing instrument was acknowledged before me this 6th day of August, 1980, by ANNA A. REISCHMAN.

My Commission Expires:

July 27, 1984

Rosemary Curry
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

Vicki Lynn

A.M. Swarthout
A.M. SWARTHOUT

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by A.M. SWARTHOUT.

My Commission Expires:

4-12-84

Marcella D. Daffelly
Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22 day of August, 1980.

WITNESS:

C. W. TRAINER

TRAINER, his wife

STATE OF N. Mex.)
) ss
COUNTY OF Lea)

The foregoing instrument was acknowledged before me this 22 day of August, 1980, by C. W. TRAINER and Jackie TRAINER, his wife.

My Commission Expires:

OFFICIAL SEAL
Signed Ada Louise Puckett
ADA LOUISE PUCKETT
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires 3-19-83

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12 day of August, 1980.

WITNESS:

GAYLE HUDGENS

STATE OF Texas)
) ss
COUNTY OF Lubbock)

The foregoing instrument was acknowledged before me this 13 day of August, 1980, by GAYLE HUDGENS.

My Commission Expires:

3-31-84

Notary Public

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 12th day of August, 1980.

WITNESS:

GARY HUDGENS

STATE OF California)
) ss Santa Clara
COUNTY OF Santa Clara)

The foregoing instrument was acknowledged before me this 12th day of August, 1980, by GARY HUDGENS.

My Commission Expires:

FEB 7, 1981

Notary Public

OFFICIAL SEAL
ROBERT D. JOHNSTON
NOTARY PUBLIC — CALIFORNIA
SANTA CLARA COUNTY
My Commission Expires February 7, 1981

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the McDonald Unit Area, County of Lea, State of New Mexico, dated June 2, 1980, in form approved on behalf of the Oil Conservation Division of the State of New Mexico, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 5th day of August, 1980.

WITNESS:

C. E. Marsh

C. E. MARSH II

Loretta McDermott Marsh

LORETTA MCDERMOTT MARSH, his wife

STATE OF Texas)
) ss
COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 5th day of August, 1980, by C. E. MARSH II and LORETTA MCDERMOTT MARSH, his wife.

My Commission Expires:

Edna I Anderson

Notary Public

EDNA I. ANDERSON - Notary Public
MIDLAND COUNTY, TEXAS
My Commission Expires 10/3/82

Dockets Nos. 22-81 and 23-81 are tentatively set for July 15 and 29, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JULY 2, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 7283: Application of Harvey E. Yates Company for amendment of Division Order No. R-6382, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6382 to provide that said order authorizing the McDonald Unit Agreement shall have an effective date of June 1, 1981.

CASE 7284: Application of Energy Reserves Group, Inc. for an unorthodox gas well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Cisco location of its Miller Well No. 1 located 660 feet from the South and West lines of Section 12, Township 6 South, Range 33 East, the S/2 of said Section 12 to be dedicated to the well.

CASE 7285: Application of J. C. Williamson for two non-standard gas proration units and two unorthodox locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard 320-acre Wolfcamp gas proration units in Section 10, Township 23 South, Range 34 East, the first comprising the NW/4, W/2 NE/4, and N/2 SW/4, and the second comprising the E/2 NE/4, S/2 SW/4, and SE/4. Applicant further seeks approval for two unorthodox locations, the first for a well drilled 1560 feet from the North line and 1830 feet from the West line of said Section 10, and the second for a well to be drilled 1980 feet from the South and East lines of the section.

CASE 7286: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and Blanco Mesaverde production in the wellbore of its Jicarilla F Well No. 6 located in the SW/4 of Section 34, Township 26 North, Range 4 West.

CASE 7287: Application of Benson-Montin-Greer Drilling Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying a previously approved 640-acre non-standard proration unit comprising the W/2 of Section 17 and the W/2 of Section 20, Township 26 North, Range 1 West, to be dedicated to a well to be drilled thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7288: Application of Southern Union Exploration Company of Texas for contraction of the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the West Puerto Chiquito-Mancos Oil Pool by the deletion of Section 36, Township 24 North, Range 1 West, therefrom.

CASE 7251: (Continued from June 3, 1981, Examiner Hearing)

Application of Southern Union Exploration Company of Texas for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying all of Section 36, Township 24 North, Range 1 West, to be dedicated to its Mobil Federal Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7289: Application of Exxon Corporation for a salt water disposal well, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation at a depth of 2638 feet to 2774 feet in its Strange Federal Well No. 3 in Unit J of Section 25, Township 7 South, Range 31 East, Tomahawk-San Andres Pool.

CASE 7290: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NE/4 of Section 26, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7291: Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Silurian and Fusselman formations underlying the N/2 of Section 6, Township 25 South, Range 37 East, Custer Field, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7292: Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian thru Ellenburger formations underlying the S/2 of Section 6, Township 25 South, Range 37 East, Custer Field, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7293: Application of ARCO Oil and Gas Company for an amendment to Order No. R-6649, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Division Order No. R-6649 which authorized compulsory pooling in Section 33, Township 22 South, Range 36 East, Langlie Field, to extend to February 1, 1982, the commencement of drilling required in said order.

CASE 7294: Application of ARCO Oil and Gas Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers-Queen formation at a depth of 2996 feet to 3186 feet in its R. S. Crosby Well No. A-2 located in Unit L of Section 28, Township 25 South, Range 37 East, Langlie Mattix Pool.

CASE 7248: (Continued from June 3, 1981, Examiner Hearing)

Application of Inexco Oil Company for pool creation, special pool rules, and an oil discovery allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Federal 10 State Com. Well No. 1 located in Unit L of Section 10, Township 21 South, Range 26 East, and the promulgation of special rules therefor, including provisions for 160-acre spacing. Applicant further seeks the assignment of approximately 42,290 barrels of discovery allowable to the aforesaid well.

CASE 7280: (Continued from June 17, 1981, Examiner Hearing)

Application of Northwest Pipeline Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Rosa Unit Well No. 77 located in Unit L of Section 33, Township 31 North, Range 5 West, to produce gas from the Mesaverde formation and commingled Gallup and Dakota production through separate strings of tubing.

CASE 7295: Application of Gulf Oil Corporation for rescission of Division Order No. R-2429-C, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Division Order No. R-2429-C which authorized 320-acre spacing units in the White City-Pennsylvanian Gas Pool. Applicant seeks the reinstatement of 640-acre spacing units in said pool with provision for 320-acre infill drilling and appropriate findings relative thereto.

CASE 7296: Application of J. Gregory Merrion and Robert L. Bayless for amendment of pool rules, contraction of the Otero-Gallup Pool, and extension of the Devils Fork-Gallup Associated Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the Devils Fork-Gallup Associated Pool Rules to provide for 160-acre spacing rather than 80 acres. Applicant further seeks the contraction of the Otero-Gallup Pool by the deletion of the following acreage: E/2 and NE/4 SW/4 of Section 2, Township 24 North, Range 6 West, and the E/2 of Section 35, Township 25 North, Range 6 West. Applicant seeks the extension of the Devils Fork-Gallup Associated Pool to include the following acreage: In Township 24 North, Range 6 West: All of Sections 2 and 3; S/2 and NE/4 of Section 4; S/2 of Section 5; S/2 of Section 6; and N/2 of Section 11. In Township 25 North, Range 6 West: SE/4 of Section 33; S/2 of Section 34; and all of Section 35.

CASE 7297: (This case will be dismissed.)

Application of Amoco Production Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its Alley Unit Well No. 1 in Unit E of Section 1, Township 19 South, Range 25 East.

CASE 7298: (This case will be dismissed.)

Application of Amoco Production Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its Lancaster Springs Com Well No. 1 in Unit I of Section 1, Township 22 South, Range 26 East.

CASE 7299: (This case will be dismissed.)

Application of Amoco Production Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its State IL Com Well No. 1 in Unit G of Section 3, Township 19 South, Range 24 East.

CASE 7300: Application of Dome Petroleum Corporation for designation of a tight formation, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Chacra formation underlying portions of Townships 21 and 22 North, Ranges 5, 6, and 7 West, containing 73,018 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 7301: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, redesignating, and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the East Lusk-Morrow Gas Pool. The discovery well is Grace Petroleum Corporation West Tonto Federal Com Well No. 1 located in Unit L of Section 24, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 24: W/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Mississippian production designated as the Peterson-Mississippian Pool. The discovery well is Enserch Exploration, Inc. Finley Well No. 1 located in Unit A of Section 6, Township 5 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 28: SW/4
Section 29: S/2
Section 32: W/2

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 5: NW/4
Section 6: NE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Salado Draw-Wolfcamp Gas Pool. The discovery well is Amoco Production Company State CR Well No. 1 located in Unit G of Section 17, Township 26 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 33 EAST, NMPM
Section 17: E/2

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Talco-Strawn Gas Pool. The discovery well is American Trading and Producing Corporation Talco Unit Well No. 1 located in Unit H of Section 11, Township 26 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM
Section 11: E/2

(e) REDESIGNATE the Lusk-Seven Rivers Pool in Lea County, New Mexico, to the North Lusk-Seven Rivers Pool described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 3: All

(f) EXTEND the vertical limits of the Lusk-Yates Pool in Eddy and Lea Counties, New Mexico, to include the Seven Rivers formation and redesignate pool as the Lusk Yates-Seven Rivers Pool described as:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 24: All

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 19: W/2 and W/2 NE/4

(g) EXTEND the Angell Ranch Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 11: S/2
Section 14: All

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 32: S/2

(h) EXTEND the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 2: W/2 and NE/4
Section 11: W/2

(i) EXTEND the Atoka-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: NW/4 SW/4
Section 33: S/2 SE/4

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 4: NW/4 NE/4

(j) EXTEND the Boyd-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 34: S/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 34: E/2

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 3: All
Section 10: N/2
Section 11: W/2

(k) EXTEND the Bull's Eye-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 12: N/2 SE/4

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 7: N/2 SW/4

(l) EXTEND the South Culebra Bluff-Bone Springs Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 27: N/2 NE/4

(m) EXTEND the Dublin Ranch-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 33: N/2

(n) EXTEND the East Eagle Creek Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 30: N/2

(o) EXTEND the Southwest Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

(p) EXTEND the Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 31: E/2

(q) EXTEND the Gladiola-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM
Section 20: NE/4
Section 21: N/2

(r) EXTEND the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 1: W/2 SW/4

(s) EXTEND the North Illinois Camp-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 16: E/2

(t) EXTEND the Langlie Mattix Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 31: SW/4

(u) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 7: S/2

(v) EXTEND the West Nadine-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 5: E/2
Section 8: NE/4

(w) EXTEND the East Red Lake Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 25: W/2 NE/4 and NW/4 SE/4

(x) EXTEND the Richard Knob Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 9: N/2

(y) EXTEND the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 16: S/2

(z) EXTEND the Scharb-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 5: E/2

(aa) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 19: NW/4

(bb) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 11: SW/4
Section 14: NW/4

****

Docket No. 21-81

DOCKET: COMMISSION HEARING - WEDNESDAY - JULY 8, 1981

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7226: (DE NOVO)

Application of Enserch Exploration, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Montoya formation in the interval from 7902 feet to 7930 feet in its Rader Well No. 2 in Unit E of Section 32, Township 5 South, Range 33 East.

Upon application of Enserch Exploration, Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7275: (Continued from June 17, 1981, Examiner Hearing)

Application of S. P. Yates for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7270: (Continued from June 17, 1981, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to its Pecos River Federal 21-A Com Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Robert H. Strand, P.A.

Attorney at Law

Practice Limited to Oil and Gas Law

Telephone (505) 624-0251
Suite 124 - Petroleum Building
Roswell, New Mexico 88201

Please Reply To: P.O. Box 2226

RECEIVED
JUN 17 1981
OIL CONSERVATION DIVISION
SANTA FE

June 12, 1981

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7283

ATTN: Mr. Dan Nutter

Re: Application for Amendment of
Order No. R-6382

Dear Dan:

As we discussed in your office last week, I enclose for filing, an Application for Amendment of Order No. R-6382 relating to approval of the McDonald Unit Agreement. This Application has been placed on the July 2, 1981 hearing docket.

If you have any questions, please let me know.

Yours truly,

Robert H. Strand

RHS/bjt
encls

RECEIVED
JUN 17 1981
OIL CONSERVATION DIVISION
SANTA FE

BEFORE THE OIL CONSERVATION DIVISION

ENERGY AND MINERALS DEPARTMENT

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF HARVEY E. YATES COMPANY :
FOR AMENDMENT OF ORDER No. R-6382 :

Case No. 7283

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its attorney and states:

1. Applicant is the operator of the McDonald Unit covering the following described lands situated in Lea County, New Mexico:

Township 13 South, Range 36 East, NMPM
Section 33: S/2
Section 34: SW/4

Township 14 South, Range 36 East, NMPM
Section 3: W/2
Section 4: All

2. On June 18, 1980, the Division entered its order No. R-6382, approving said McDonald Unit Agreement providing that said order would become effective upon approval of the Unit Agreement by 75% of the royalty interest owners, and 75% of the working interest owners thereunder.

3. In excess of 75% of the royalty owners and working interest owners have ratified said Unit Agreement; however, it is impossible to determine an exact date when such percentage was exceeded, and order No. R-6382 should be amended to provide that it becomes effective on June 1, 1981.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an

an examiner and that notice of said hearing be given as required by law.

B. That upon hearing, the Division enter its order amending order No. R-6382 to provide that said order No. R-6382 shall become effective as of June 1, 1981.

C. For such further relief as the Division deems just and proper.

DATED this 12th day of June, 1981.

HARVEY E. YATES COMPANY

By: Robert H. Strand

Robert H. Strand
Attorney for Applicant
Post Office Box 2226
Roswell, New Mexico 88201

BEFORE THE OIL CONSERVATION DIVISION

ENERGY AND MINERALS DEPARTMENT

OF THE STATE OF NEW MEXICO

RECEIVED
JUN 17 1981
OIL CONSERVATION DIVISION
SANTA FE

IN THE MATTER OF THE APPLICATION :
OF HARVEY E. YATES COMPANY :
FOR AMENDMENT OF ORDER No. R-6382 :

Case No. 7283

APPLICATION

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Township 14 South, Range 36 East, NMPM
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C. For such further relief as the Division deems just and proper.

DATED this 12th day of June, 1981.

HARVEY E. YATES COMPANY

By: Robert H. Strand

Robert H. Strand
Attorney for Applicant
Post Office Box 2226
Roswell, New Mexico 88201

BEFORE THE OIL CONSERVATION DIVISION

ENERGY AND MINERALS DEPARTMENT

OF THE STATE OF NEW MEXICO

RECEIVED
JUN 17 1981
OIL CONSERVATION DIVISION
SANTA FE

IN THE MATTER OF THE APPLICATION :
OF HARVEY E. YATES COMPANY :
FOR AMENDMENT OF ORDER No. R-6382 :

Case No. 7283

APPLICATION

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1. Applicant is the operator of the McDonald Unit covering the following described lands situated in Lea County, New Mexico:

Township 13 South, Range 36 East, NMPM
Section 33: S/2
Section 34: SW/4

Township 14 South, Range 36 East, NMPM
Section 3: W/2
Section 4: All

2. On June 18, 1980, the Division entered its order No. R-6382, approving said McDonald Unit Agreement providing that said order would become effective upon approval of the Unit Agreement by 75% of the royalty interest owners, and 75% of the working interest owners thereunder.

3. In excess of 75% of the royalty owners and working interest owners have ratified said Unit Agreement; however, it is impossible to determine an exact date when such percentage was exceeded, and order No. R-6382 should be amended to provide that it becomes effective on June 1, 1981.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an

an examiner and that notice of said hearing be given as required by law.

B. That upon hearing, the Division enter its order amending order No. R-6382 to provide that said order No. R-6382 shall become effective as of June 1, 1981.

C. For such further relief as the Division deems just and proper.

DATED this 12th day of June, 1981.

HARVEY E. YATES COMPANY

By: _____

Robert H. Strand
Attorney for Applicant
Post Office Box 2226
Roswell, New Mexico 88201

Memo

From
FLORENE DAVIDSON
ADMINISTRATIVE SECRETARY

To Called in by Bob Strand
6/11/81

Harvey E. Yates Company
Amendment of Order
R-6382

McDonald Unit Agreement
Provide that said order
shall have an effective
date of June 1, 1981.

OIL CONSERVATION COMMISSION-SANTA FE

ROUGH
dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7283

Order No. R-6382-A

APPLICATION OF HARVEY E. YATES
COMPANY FOR AMENDMENT OF DIVISION
ORDER NO. R-6382, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 2, 19 81, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this _____ day of July, 19 81, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Harvey E. Yates Company, seeks the amendment of Division Order No. R-6382 to provide that said order authorizing the McDonald Unit Agreement shall have an effective date of June 1, 1981.

(3) That Order (5) of said Order No. R-6382 provided that the McDonald Unit Agreement should become effective upon the ratification of said unit agreement by 75 percent of the working interest ownership and 75 percent of the royalty ownership in the unitized lands.

(4) That on or before June 1, 1981, the ratifications by interested parties representing at least 75 percent of the working interest and royalty ownership had been made.

(5) That for administrative purposes the effective date of the McDonald Unit Agreement should be made June 1, 1981.

IT IS THEREFORE ORDERED:

(1) That Order (5) of Division Order No. R-6382 is hereby amended to read in its entirety as follows:

"(5) That the McDonald Unit Agreement shall be effective as of June 1, 1981; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Division immediately in writing of such termination."

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

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