CASE 7421: DOYLE HATTMAN FOR COMPULSORY POOLING, UNORTHODOX WELL LOCATION AND NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO

Aparent with the power of the month of the second of the s

CASE NO.

7421

APPlication, Transcripts, Small Exhibits,

ETC

MR. NUTTER: Call next Case Number 7421. MR. PEARCE: Application of Doyle Hart-man for compulsory pooling, unorthodox well location, and a nonstandard spacing unit, Lea County, New Mexico. MR. NUTTER: Applicant has requested this case be dismissed. Case Number 7421 will be dismissed. The hearing is adjourned. (Hearing concluded.)

CERTIFICATE

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.

Steangler Boyd CSC

I do hearly corff that the foregoing is a complete a complete and of the promodines in heard by major.

The Example of Cach No. 742/

10 82

SALLY W. BOYD, C.S.

ı

.

MR. NUTTER: We'll call next Case 7421.

MR. PEARCE: Application of Doyle Hartman for compulsory pooling, unorthodox well location, and non-standard spacing unit, Lea County, New Mexico.

MR. CARR: May it please the Examiner, this case was heard two weeks ago and was readvertised to correct an error in the legal advertisement.

MR. NUTTER: Are there any appearances in Case Number 7421?

MR. LUCCOCK: Mr. Examiner, I'm Henry Luccock with the USGS, and I don't believe we registered any objection when it was heard, so we are opposed to the unorthodox proration unit.

MR. NUTTER: You are opposing -- MR. LUCCOCK: We are opposed.

MR. CARR: May it please the Commission, I would also call to your attention that the nonstandard location for the well, or the unorthodox location for the well and the nonstandard proration unit was approved administratively by this Commission several days ago by Order NSP-1272.

MR. NUTTER: So in effect all that's remaining is the compulsory pooling portion of the application?

MR. CARR: That is correct.

MR. NUTTER: Does USGS have objections

to that portion of the case?

MR. LUCCOCK: No, we don't.

MR. NUTTER: The record will reflect --

the case will be taken under advisement based on the record made at the previous hearing of Case 7421.

And the case is taken under advisement.

(Hearing concluded.)

CERTIFICATE

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.

Savy W Boyd CSR

do hereby certify that the foregoing is a complete reach in the proceedings in the Englisher flecting of the proceedings in heard by the on Examiner Examiner

SALLY W. BOYD, C.S.R. Rt. 1 Box 193-B Sants Fe, New Mexico 87501 Phone (305) 455-7409

1		Ą
11.		2
2	INDEX	
3		
4	WILLIAM P. AYCOCK	
5	Direct Examination by Mr. Carr	4
6	Cross Examination by Mr. Stamets	20
7		
8		
9		
10		n de la companya de La companya de la co
11		
12	EXHIBITS	
13	BANIBII O	
14	Applicant Exhibit One, Map	5
15	Applicant Exhibit Two, Letter	7
16	Applicant Exhibit Three, Summary	9
17	Applicant Exhibit Four, Correspondence	11
18	Applicant Exhibit Five, Summary	12
19	Applicant Exhibit Six, Cross Section	16
20	Applicant Exhibit Seven, Cross Section	17
21		
22		
23		
24		
25		

come to order.

sworn.

MR. STAMETS: The hearing will please

We'll call at this time Case 7421.

MR. PEARCE: Application of Doyle Hartman for compulsory pooling, unorthodox well location, and a nonstandard spacing unit, Lea County, New Mexico.

MR. CARR: May it please the Commission, or the Examiner, my name is William F. Carr, with the law firm Campbell, Byrd, and Black, P. A., of Santa Fe, appearing on behalf of the applicant.

I have one witness who needs to be

(Witness sworn.)

MR. CARR: Initially, Mr. Stamets, I would like to advise you that there was an error in the advertisement as originally advertised. The well is proposed to be drilled at a location 660 from the south line and 330 from the west line, not 2310 from the south line.

We advised the Commission about this, oh about a week ago, and the ad has been corrected and it's being readvertised for December 2nd.

MR. STAMETS: It's 660 and 3 --

I have.

A.

2	Q. Are you familiar with the application
3	filed in this case in behalf of Mr. Hartman?
4	A I am.
5	Are you familiar with the subject land
6	and the proposed ell?
7	I am. in the state of the state
8	MR. CARR: Are the witness' qualifica-
9	tions acceptable?
10	MR. STAMETS: Yes.
11	
12	
14	Mr. Hartman seeks in this application?
13	A. Mr. Hartman is seeking compulsory
14	pooling, unorthodox well location, and a nonstandard proratio
15	unit for a lease, a 120-acre nonstandard spacing unit, con-
16	sisting of the south half southwest quarter and northwest
17	quarter southwest guarter, Section 3, Township 20 South,
18	Range 37 East, to be dedicated to a proposed Eumont gas well
19	to be located at an unorthodox location 660 feet from the
20	south line and 330 feet from the west line of Section 3.
21	Q. Will you please refer to what has been
22	marked for identification as Applicant's Exhibit One and
ı i	
23	identify this and review it for Mr. Stamets?
24	A. Exhibit One is a combined Penrose
25	structure man and land plat of the 9-section block including

section 3, Township 20 South, Range 37 East, as well as the immediately surroundid sections, which shows the proposed 120-acre nonstandard proration unit, the proposed location, not as advertised but as what's stated, i.e. 660 feet from the south and 330 feet from the west, with the trace of two cross sections, which will subsequently be put into evidence.

It shows the offsetting operators, which will be -- which we will show subsequently that have been contacted in preparation for an administrative request for this location. The contacts with them were made by letter, which did show the correct location, not as advertised, but as requested, those operators being Exxon Corporation, and W. K. Byrom to the west and north, Byrom to the north only, Continental Oil Company to the east, and Texaco and Amerada to the south and southwest, respectively.

Q What would be a standard spacing unit in the Eumont?

A. The Eumont is 640 acres, I believe.

Q I notice there's a Tenneco well shown on this, the subject proration unit. What is the status of that well?

A. The status of that well is that, to our knowledge it has not yet been plugged. There is a form C-103 that we found on file in the Commission's Hobbs Office, which

THE REPORT OF THE PARTY OF THE

. อาการที่ โดยการเป็น พระการ กระจับว่าเพื่อ เพื่อ พระจากระบาย พระอัสสาร พระวัสเลือน เพื่อ ภาษาสิน 2 พัฒนาที่สาร พ

Ī

,₹ .

was submitted to the Commission on July 1st, 1981, and which was executed by Mr. Sexton, the supervisor on July 6, 1981, which proposes to plug and abandon this well. The well has not been productive for over a year and a half. Mr. Hartman has taken new leases on the property and he has requested Tenneco to plug and abandon the well in conformance with this proposal submitted and approved by the Commission and to provide the Commission with adequate evidence that the work has been done so that he may begin the new development of the lease.

Mill you now refer to what has been marked Hartman Exhibit Number Two and identify this for Mr. Stamets?

Exhibit Number Two is the letter to Mr.

Stamets that initiated the administrative request for the subject of this hearing; i.e. the 120-acre nonstandard proration unit and the unorthodox location.

And once again the location, this letter is dated October 20th, 1981, and it once again refers to the correct location, not as advertised, but as requested; i.e. 660 feet from the south and 330 feet from the west line. lie provided a list of the offsetting operators in this administrative request, a tabulation, and a map, and we also have the certified mail receipts showing that these were

mailed to and received by all of the parties who have just previously been enumerated.

-

In addition to that, on October 21st,

1981, a revised letter was furnished to the Commission to Mr.

Stamets attention in which time a correction was made in who owned the rights in the area. In the meantime Mr. Hartman had determined that W. K. Byrom did not control all of the rights, that Exxon Company, U.S.A., was also involved, and this letter, dated October 21st, was provided to the Commission, was provided to all of the affected parties, with a tabulation of their interests, the number of acres that they controlled in which section, an explanatory map, and included once again are copies of the labels with the mailing addresses, certified transmission receipts, showing when each of these was mailed, a copy of the certified receipt before execution and after execution, showing the date on which it was received by each of the affected parties.

Mr. Aycock, did you receive waivers from any of the affected parties?

M. K. Byrom, dated the 26th of October, 1981, and we have received from Conoco, Inc., a letter that did not include a waiver but that stated that Conoco would not formally oppose the request that's being made in this hearing, and they

<u>.</u>

THE PARTY OF THE P

understood what they were not opposing was the 660-330 location, because that was clearly enumerated in the letter that was provided to them.

Q. And copies of the Conoco letter and the waiver from Byrom are included in Exhibit Two, is that correct?

A. That's correct.

Q. Will you now refer to Hartman Exhibit
Three and identify this for Mr. Stamets?

A. Hartman Exhibit Three is a summary under the northwest quarter southwest quarter and south half southwest quarter of Section 3, Township 20 South, Range 37 east, of the net acres and percentages of the total proposed proration unit that have been committed to leasehold, signed at this time to Doyle Hartman, unleased interest that have indicated verbally they will be committed to Doyle Hartman, but have not yet been received.

I'll call the Examiner's attention to the fact that leases signed and firmly committed to Doyle Hartman at this time comprise approximately 101.2 acres, or approximately 84.3 percent of the proposed nonstandard proration unit. Unleased interests that have verbally indicated that they will lease to Doyle Hartman, approximately 10.3 net acres, or 8.6 percent of the proposed 120-acre nonstandard proration unit, with a subtotal of the unleased -- of the leased interest and

1.6

the unleased interest that have indicated they will become leased interests, of approximately 111.5 net acres, or approximately 90.9 percent of the proposed 120-acre nonstandard proration unit.

In addition there are certain unleased interests which have indicated that they will join as to a working interest voluntarily. Thos comprise approximately 8.5 net acres, or about 7.1 percent, for a grand total of 120 acres and 100 percent of the proposed 120-acre nonstandard proration unit.

At this time it appears that all the interests in the nonstandard proration unit will voluntarily join in this drilling of the well.

A. That is what they have told Mr. Eddie Gorrance, who has done all of the land work for Mr. Hartman as a consultant.

We have letters which will subsequently be put into evidence that show that these contacts were made and what the results were, yes.

Q. But you do desire to go forward with the pooling hearing.

As a precautionary measure only. One of the interests, which we will describe more fully later, is owned by a gentleman who lives in Truth or Consequences and

does not have a telephone, and we have been unable to contact him. We've talked to his daughter, Mr. Gorrance, that is, has talked to his daughter, who has indicated that she believes that her father will probably, will either want to lease or to join, probably to lease. We're not absolutely certain and to allow us to go forward with the drilling, to get it done in 1981 when the rig is available, in a timely fashion, we're asking for the forced pooling order as a precaution only.

We will make every possible effort to give everybody a chance to voluntarily either join or lease if they wish to.

Mr. Aycock, will you now review Exhibit
Four for Mr. Stamets?

A. Exhibit Four is a package of correspondence that contains all of the pertinent correspondence with the -- with El Paso Natural Gas Company pertaining to the connection of this proposed well and with each of these interests that are involved in the proposed 120-acre nonstandard proration unit, both as to those that have indicated they will join and those that have indicated they would prefer to lease. It is all documented.

I will not go into it in detail unless
the Examiner prefers. In each letter Mr. Gorrance makes it
the contact is being made on behalf of Doyle Hart

man; that it is in preparation for this hearing; that he would prefer to work out something voluntarily with the people if at all possible on either leasing or joining in the drilling; copies of the leases provided to those who have indicated that they would prefer to lease. Each contact is there. In some cases there is more than one contact. There are two interests that have indicated that they would prefer to join. Those interests have been furnished an AFE and an invoice for the amount that would -- of the proposed AFE drilling costs that pertained to their proposed working interest participation.

A Have each of the working interest owners been advised of today's hearing?

A. Yes, sir, they have.

Q All right. Now, Mr. Aycock, would you refer to what has been marked Exhibit Number Five and identify this?

A. Exhibit Number Five is a detailed summary of the unleased interests underlying the 120-acre nonstandard proration unit comprised of the northwest quarter southwest Quarter and south half southwest quarter of Section 3, Township 20 South, Range 37 East.

The first three entries that are listed that is, Roy G. Barton and wife, Opal; Edith G. Socolow and

A. Walter Socolow, Trustees; and B. A. Christmas, Jr., have indicated their desire to join but they have not yet signed and returned -- they may have signed but Mr. Hartman has not yet received the AFE's, nor any mondes that would be attendant to their share of the drilling costs.

You will notice that the -- this total is approximately 7.1 percent, which was previously referred to in Exhibit Number Two, I believe it was, when we had the summaries without regard to where those interest were located.

The rest of these interests are all people who have indicated that they will lease but the leases have not yet been received.

With regard to the Christmas family interest, they are represented by a gentleman by the name of Mr. Layton in Midland, who at the time the contracts were made was in Canada on vacation. He has just returned. Correspondence with him is listed in the previous exhibit and he has indicated that -- that all of these individuals will lease to Mr. Hartman.

I call the Examiner's attention to the last two interests listed here; that is, Gaines Hoyt Bolding and Dorothy Jean Sparger. Mr. Bolding is a welder who lives in Truth or Consequences during the winter. That is where he is now located. He does not have a telephone at that location.

不可能的一种,我们就是一个一种的人,我们就是一种的人,我们就是一种的人,我们也不是一种的人,也是一种的人,也是一种的人,也是一种的人,也是一种的人,也是一种的人,

As I mentioned, the attempts by Mr. Gorrance on behalf of Mr. Martman to contact him have been through Mr. Bolding's daughter and she has indicated that she thinks that her father would probably prefer to lease, and Mr. Martman has promised her that in view of the difficulty in contacting her father, that even if the forced pooling is effective, that he will give Mr. Bolding a chance to lease up until the very last moment before the spudding of the well.

Mrs. Dorothy Jean Sparger is just out of the hospital and has not been available but she has indicated that she will sign and return an oil and gas lease to Mr. Hartman.

In all cases the responses have been positive and this is the basis for our representing to the Commission that we feel like that everybody will voluntarily either lease or join in the drilling of the well.

- Q. Mr. Aycock, in your opinion has a good faith effort been made by Mr. Hartman to obtain voluntary joinder of all the working interest owners in the proration unit?
- A. Yes, I believe it has, as evidenced by the correspondence that was previously put into evidence.
- Q. Would you please refer back to the AFE, which is attached to Exhibit Four, and review this for Mr.

Stamets?

The -- there are two letters that are on the back of the previous exhibit that contain the AFE's.

10

14

15

16

17

18 19

20

23

24 25

One letter is to Mr. Roy G. Barton and included is his original letter which he returned to Mr. Gorrance with the notation, Sorry, no lease. Will participate. And then an additional letter from Mr. Gorrance, and then a letter from Doyle Hartman's office to Mr. Barton, including the AFE and behind that an invoice for Mr. Barton's percentage of the total estimated drilling cost and the total

Total projected cost of a producing well including all tangible and intangible items is \$322,500, or for a dry hole, \$139,500.

due for working interest participation.

When was this AFE submitted?

The date on the letter is November 5th, 1981, from Hartman's office, including the AFE and the invoice to Mr. Barton, and with regard to Mr. Socolow, it's November 4th, 1981, in which case the same AFE was submitted with an invoice for the billing percentage and total amount due under the estimated drilling costs.

Are the costs reflected on the AFE in line with what other operators in the area are charging for similar wells?

A. Yes, sir, to our knowledge they're in line with the costs of doing the type of job that Mr. Hartman's experience needs to be done in this area to effect a commercial producing well.

Q Will you now refer to Hartman Exhibit
Number Six, your A-A' cross section, and review this for
Mr. Stamets?

A. Cross section A-A' is a north/south cross section through the -- including the proposed location, showing that most of the wells have been completed in the Penrose section; a few of them have been completed in the Lower Queen, and in the Seven Rivers interval.

wherever he has indications of commercial production. The well to the immediate right of -- I mean, pardon me, to the immediate left of the proposed location, the second from the right on the cross section A-A', is the inactive Tenneco well, which shows that it was completed solely in the Penrose section.

There may be some reserves in the other portions of the Eumont section, so our proposal is to complete wherever we get indications of being able to affect commercial production.

I call the Examiner's attention to the

U

7:

fact that the last production from the Tenneco well was in May of 1980 and so it has been over two years since the -- since this well was last productive, according to the records of the Commission.

Q Will you now review Exhibit Number Seven for Mr. Stamets?

A. Exhibit Number Seven is cross section B-B', which is a west/east cross section.

Since the proposed location is south of this it does not include it, but it does include the Tenneco Ellen Weir No. 1 Well that has been discussed that has an application to plug and abandon pending with the Commission.

Once gain it is apparent that most operators have indicated by practice that they prefer to complete in the Penrose rather than any of the other reservoirs that are a portion of the Eumont Pool.

I would also call the attention of the Commission to the fact that most of these wells date from mid-fifties. They were drilled and completed in the mid-fifties, and are 25 years old or more.

Mr. Aycock, are you prepared to make a recommendation to the Examiner as to the risk factor that should be assessed against those working interest owners who

1 2 do not particiate in the drilling of the well? 3 Yes, sir, I am. A. And what would that figure be? Q. 200 percent. 5 And upon what do you base that? 6 7 The fact that there's a dry hole that penetrated the Eumont section located in the southeast quarter of the southwest quarter of Section 3, about which we have 10 not been able to determine the reason that it was dry and abandoned, and so we don't know whether they did not encounter 11 pay of commercial quality at the time it was drilled or whether 12 13 it was simply a mechanical problem. But the existence of that well and the 14 fact that it is some distance to the next producing well in 15 any directions towards the south indicate to us that there 16 could be a significant amount of risk involved in drilling 17 18 this location. 19 Have you made an estimate of overhead and administrative costs while drilling and producing the 20 21 subject well? 22 Yes, I have. 23 And what are those figures? \$3750 per month per well while drilling 24

and \$375 per month per well while producing.

•

Are these costs in line with what is being charged by other operators in the area?

A. Yes, they are in line with what other operators are charging and what Mr. Hartman is charging on his other joint operations throughout this area.

Do you recommend that these figures be incorporated into any order which results from this hearing?

λ. I do.

Q Does Mr. Hartman request to be designated operator of this well?

A. He does.

Q In your opinion will granting this application be in the best interest of conservation, the prevention of waste, and the protection of correlative rights?

A. Yes, I do, because I believe there's a strong possibility that there are substantial unrecovered gas reserves underlying this proration unit that the drainage and recovery of which can be affected by the proposed well and that they will likely not be recovered at all, or if they are recovered, it will not be from the property that is involved in this application, otherwise.

Q. Mr. Aycock, when will a rig be available to drill the proposed well?

A. The rig will be available probably on

2	next Monday, which is this is Thursday the 19th, it would		
3	be the 22nd, I believe.		
4	Q. Do you therefor request that the order		
5	be expedited to the fullest extent possible?		
6.	A. If not in the written form, if it is		
7	approved, that Mr. Sexton be notified that it is permissible		
8	for the well to be the drilling of the well to be commenc		
9	Q. Were Exhibits One through Seven prepare		
10	by you or compiled under your direction and supervision?		
11	A. They were.		
12	MR. CARR: At this time, Mr. Stame s,		
13	we would offer into evidence Hartman Exhibits One through		
14	Seven.		
15	MR. STAMETS; These exhibits will be		
16	admitted.		
17	MR. CARR: I have nothing further on		
18	direct.		
19			
20	CROSS EXAMINATION		
21	BY MR. STAMETS:		
22	o c Nr. Aydock, what's the status of the		
23	administrative application for a nonstandard unit and the		
24	nonstandard location?		
25	A. I believe, Mr. Stamets, that the time of		

Anything further in this

	lacksquare
2	it will expire next Monday if there are no protests received
3	from the affected parties, and that dates from the second
4	notification of the affected parties by the letters, copies
5	of which-were originally directed to you, and copies of which
6	were directed to the affected parties by certified mail.
7	Q. So it's possible or probable that the
8	nonstandard unit and nonstandard location will have been ap-
9	proved
10	Yes, sir.
11	Q before an order might issue from this
12	case and the readvertisement?
13	A. Yes, sir.
14	Q. Okay, and it's also possible that you
15	may get everybody signed up before an order could come
16	A. That's true, sir.
17	Q. If you would let us know on that, we'd
18	certainly appreciate that.
19	A. We'll give you a call Monday and let
20	you know the current status if it's deviated from that that's
21	been presented here to you.
22	Q Okay, fine.
23	Any other questions of this witness?
1	

MR. STAMETS:

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Merico 875Gi
Phone (305) 455-7409

CERTIFICATE

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.

Sacry W. Boyd COR

I do her that the foregoing is 19.81.

The for

- --

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. 7421 Order No. R-6877

APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING, UNORTHODOX WELL LOCATION AND NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 6, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter

NOW, on this $\frac{171h}{1000}$ day of January, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

SEAL

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7421 is hereby dismissed.

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

STATE OF NEW MEXICO OLL CONSERVATION DIVISION

JOE D. RAMEY, Director

DOYLE HARTMAN

Oil Operator 500 N MAIN

P. O. BOX 10426 MIDLAND, TEXAS 79702

> (915) 684.4011 October 20, 1981

Mr. R. L. Stamets State of New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501 DEFEND BY AMERICA STATISTS

OL COMPANY MEDICAL COMPANY

CAME 100 7421

Submitted by Alex

Hearing Date 11-19-81

Re: Request for Non-Standard Proration Unit and Non-Standard Location Ellen Weir No. 1 S/2 SW/4 and NW/4 SW/4 Sec. 3, T-20-S, R-37-E Lea County, New Mexico

Gentlemen:

In the near future, I plan to file a C-101 and C-102 with the New Mexico Oil Conservation Division district office in Nobbs for permission to drill a new Eumont (Gas) well at a non-standard location consisting of 660 FSL and 330 FWL, Secton 3, T-20-S, R-37-E. The subject well will be drilled on a presently un-dedicated 120-acre non-standard proration unit comprised of the S/2 SW/4 and NW/4 SW/4 of Section 3, T-20-S, R-37-E, Lea County, New Mexico. Since the subject well is located at a non-standard location on a 120-acre non-standard proration unit, I hereby file for administrative approval to drill the subject well at a non-standard location consisting of 660 FSL and 330 FWL Section 3, T-20-S, R-37-E and also for administrative approval to dedicate the now well to a 120-acre non-standard proration unit comprised of the S/2 SW 4 and NW/4 SW/4 of Section 3, T-20-S, R-37-E, Lea County, New Mexico.

The subject 120-acre tract was previously dedicated to Tenneco's Ellen Weir No. 1 located 2310 FSL & 330 FWL Section 3. However, Tenneco's Ellen Weir No. 1 last produced in May, 1980, and a notice to plug and abandon was filed with the NMOCD in July of this year.

Three copies of a plat showing the location of the proposed well are enclosed,

Copies of this plat and application have also been sent by certified mail to all offsetting parties owning Eumont dry gas rights. The following is a list of the offset Eumont dry gas rights owners:

W. K. Byrom 103 West Lea Hobbs, New Mexico 88240 Mr. R. L. Stamets October 20, 1981 Page 2

Conoco, Inc. P. O. Box 1959 Midland, Texas 79702

Attention: M. K. Mosley
Division Manager

Texaco, Inc. P. O. Box 3109 Midland, Texas 79702

Attention: R. D. Tomberlin
Division Petroleum Engineer

Amerada Hess Corporation P. O. Drawer D Monument, New Mexico 88265

Thank you for your consideration.

Very truly yours,

Doyle Hartman

DII/all

Enclosures as above

cc: Mr. Jerry Sexton
New Mexico Oil Conservation Division
District I Office
P. O. Box 1980
Hobbs, New Mexico 88240

Mr. William P. Aycock 308 Wall Towers West Midland, Texas 79701

Camphell, Byrd and Black, P.A. P. O. Box 2208
Santa Fe, New Mexico 87501

Attention: Mr. William F. Carr

Mr. R. L. Stamets October 20, 1981 Page 3

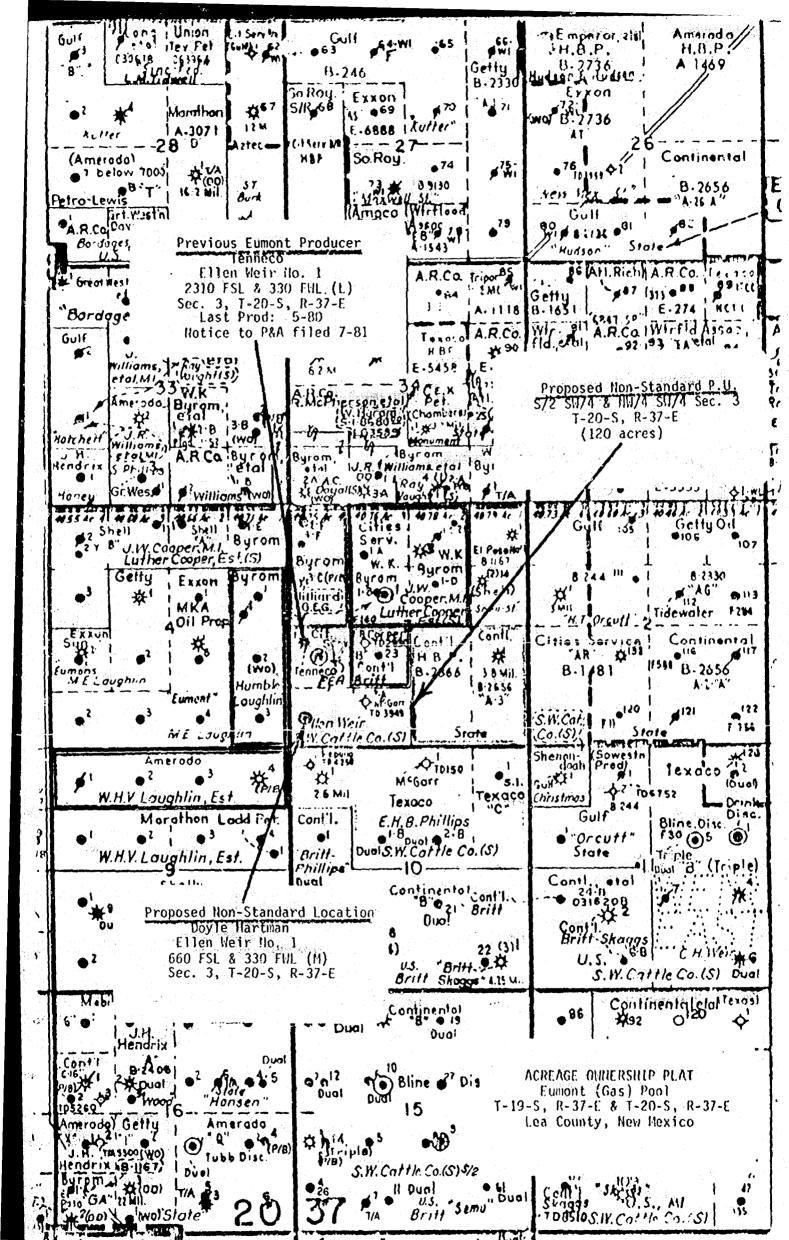
> Maddox and Renfro P. O. Box 2508 Hobbs, New Mexico 88240

Attention: Mr. Don Maddox

LIST OF OFFSET EUMONT (GAS) OPERATORS

Doyle Hartman
Ellen Weir No. 1
M-Section 3, T-20-S, R-37-E
(S/2 SW/4 and NW/4 SW/4 Sec. 3, T-20-S, R-37-E)
Lea County, New Mexico

	EHB Phillips No. 1 D-10-205-37E N/2 NW/4, SE/4 N Section 10, T-20	Britt Lease No Active Well NE/4 SW/4 Section T-20-S, R-37-E	State "A-3" No. 1 I-3-20S-37E SE/4 Section 3 T-20-S, R-37-E	J. F. Cooper No. 3 B-3-20S-37E $E/2 \text{ NW}/4 \text{ and W}/3 \text{ Section 3, T-20-}$	Cooper "F" No. 2 D-3-20S-37E W/2 NW/4 Section T-20-S, R-37-E	Humble-Laughlin Lease No Active Well E/2 SE/4 and SE Section 4, T-20	Lease & Well Name(s) Gas Well Locations Unit Description
	. 1		No. 1	,		lin Lease	Name(s)
	D-19-20S-37E	No Active Well	I-3-20S-37E	B-3-20S-37E	D-3-20S-37E	No Active Well	Gas Well Locations
	N/2 NW/4, SE/4 NW/4, and NE/4 Section 10, T-20-S, R-37-E	NE/4 SVI/4 Section 3 T-20-S, R-37-E	SE/4 Section 3 T-20-S, R-37-E	E/2 NW/4 and W/2 NE/4 Section 3, T-20-S, R-37-E	W/2 NW/4 Section 3 T-20-S, R-37-E	E/2 SE/4 and SE/4 NE/4 Section 4, T-20-S, R-37-E	Unit Description
	280	4 0	160	160	8	120	Number
5 m							Number of Acres



G. UNINGLE TO CELIVER BECAUSE: REGISTERED NO. | CENTIFIED NO. いいととうしませ the received the article desimbed above. A RESTRICTED DELIVERY. TATIOLE ADDRESS IN TO: (A) was a coroun somewhat of accerement or agont) Show to whom and date delivered..... Show to whom, date, and address of delivery & (Consult formaster for fees) flowing service is requested (uneck one.) Chidarchos Churchoruse agent your address in the "ALTURN TO" space on 1964468 RECEIVE NO. POSTMARX CLERK S

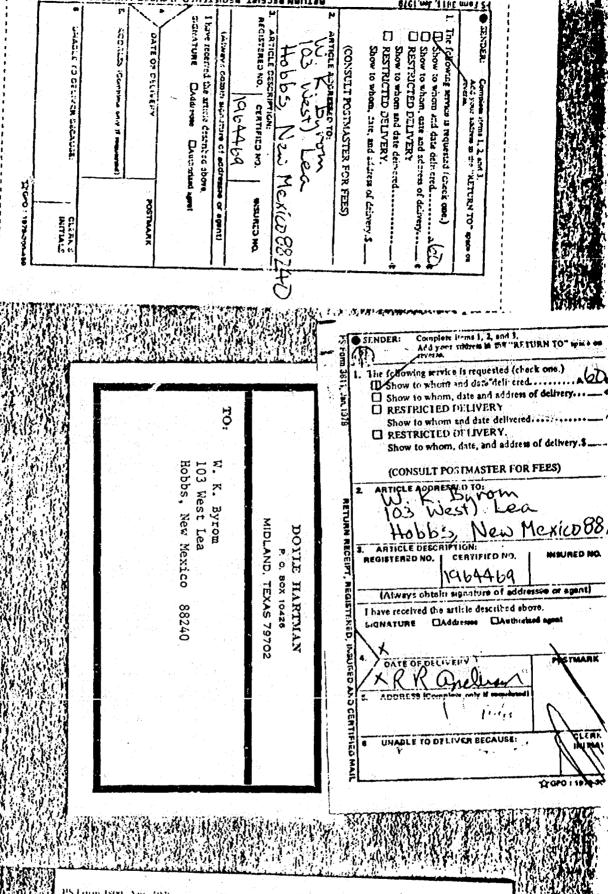
DOXLE HARTMAN P. O. BOX 10425 MIDLAND. TEXAS 79702 TO: Conoco, Inc. P. O. Box 1959 Midland, Texas 79702 Attention: M. K. Mosley Division Manager	Add your address in the "RETURN TO" space Add your address in the "RETURN TO" space Reverse. 1. The Joliowing service is requested (check one.) 2. Show to whom, date and address of delivery. 3. Show to whom and date delivered. 4. PESTRICTED DELIVERY. Show to whom, date, and address of delivery. (CONSULT POSTMASIER FOR FEES) 2. ARTICLE ADDRESSED TO: (CONSULT POSTMASIER FOR FEES) 3. ARTICLE ADDRESSED TO: (ADDRESSED TO:
--	--

RECEIPT FOR CENTIFIED MAIL

NOTIFICATION OF THE CONTRACT OF THE TREE TO THE CONTRACT OF TH

TOTAL POSTAGE AND REES POSTMARK OR DATE CONSULT COSTMASTER FURTERS OPHINAL SERVICE PN CCO 10-20-81 00 A 4 C CO

Original Request mailed



PS Torm 1809. April 1976

COPINITAL STRUCTUS

OF COLUMN STRUCTS

OF CO

SIGNATURE CANCIONS DAUGORAN ARTH I have received the article described above. RECISTERED NO. | CERTIFIED NO. The inflowing service is requested (check one.) C RESTRICTED DELIVERY. D RESTRICTED DELIVERY Show to whom, date and address of delivery----UNACLE TO DELIVER BECAUSE: ARTICLE ADDRESSIO TO HOSS ADDRESS (Complete only if requested Chiways obtain signature of addresses or agent DATE OF BELIVERY Show to whom and date delivered..... Show to whom, date, and address of delivery. S _____ Jeflowing service is requested (check one.) (CONSULT POSTMUSTER FOR FEES) Add your rathes in the "RETURN TO" space on Complete cems 1, 2, and 3. 304400 88265 200 · 1879-244-44 くらって INSURED NO. POSTMARK CLERKS

DOYLE HARTMAN
P.O. BOX 10426
MIDLAND. TEXAS 79702

TO:
Amerada Hess Corporation
P. O. Drawer D
Monument, New Mexico 88265

	SENDER: Complete items 1, 2, and 3, Add your address in the "RETURN TO" preverse.
3811, Jan. 1879	I. The inflowing service is requested (clieck one.) Show to whom and date delivered
	CONSULT POSIMASTER FOR FEES)
RETURN	Amerada Hecs Corp. P.O. Drawer D
N RECEIPT, REGISTERSO	Monument, NM 88265 3. ARTICLE DESCRIPTION: REGISTERED NO. CERTIFIED NO. INSURED NO. 191044615
REGIST	(Always obtain signature of addressee or agent) I have received the article described above.
٠,	SIGNATURE Cladity suce Clauthorized agent
GNV C'IBRIBNE	B. ADDRESS (Complete only H response)
CERTIFIC	A. UNABLE TO DELIVER BECAUSE! CLERK'S
SO MAIL	- HIRTALS

RECEIPT FOR DESTINED MAIL

NO INSURANCE CONTACT SANCON CONTRACT CO

PSTORIN 38(N), Apr. 1976

CONSULT POSIMASHIR FOR HIS

OF THE POSIMASHIR FOR

The following service is requested (check one.)

The following service is requested (check one.)

C. Q. SIGNATURE DAddressee Daumented spent I have received the article desembed above. RECISTERED NO. | CENTIFIED NO. D RESTRICTED DULINERY. C RESTRICTED DELIVERY D Show to whom, date and address of delivery....... ARTICLE DESCRIPTION: Midland TX WHITICLE ADDRESSED TO Show to whom and date delivered..... UNABLE TO DELIVER BECAUSE. ACCRESS (Complete only if requested) (Liways ocusin signature of addressee of agent) Show to whom, date, and address of delivery. DATE OF DELIVERY (CONSULT POSTAINTER FOR FEES) Conspicts sems 1, 2, april 3.
Add your address in the "RETURN TO" space on reverse. 1964461 INGURED NO. 250: 1979-288-84d CLEAKS

		SENDER: Complete Hems 1, 2, and 3. Add your address in the "RETURN TO" space of reverse.
TO: Texaco, In P. O. Box Midland, T		1. The following service is requested (check one.) Dishow to whom and date delivered
3109 3109 exas 79702 R. D. Tcm Divisior	VIE HARTMA P. O. BOX 10428 AND. TEXAS 791	2 ARTICLE ADDRESSED TO: TEXACO, LINC P.O. BOX 3109 MICHAEL DESCRIPTION: REGISTERED NO. INSURED NO. 19646
berlin Petroleum Engineer		I have received the article described above. SIGNATURE DADDRESS (Complete only H requested) ADDRESS (Complete only H requested) S. UNABLE TO DELIVER BECAUSE: CLERK'S INITIAL
ak sastikkela (iki EleMak	Mark No.	↑ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \

PS Form 1800, Apr. 1976

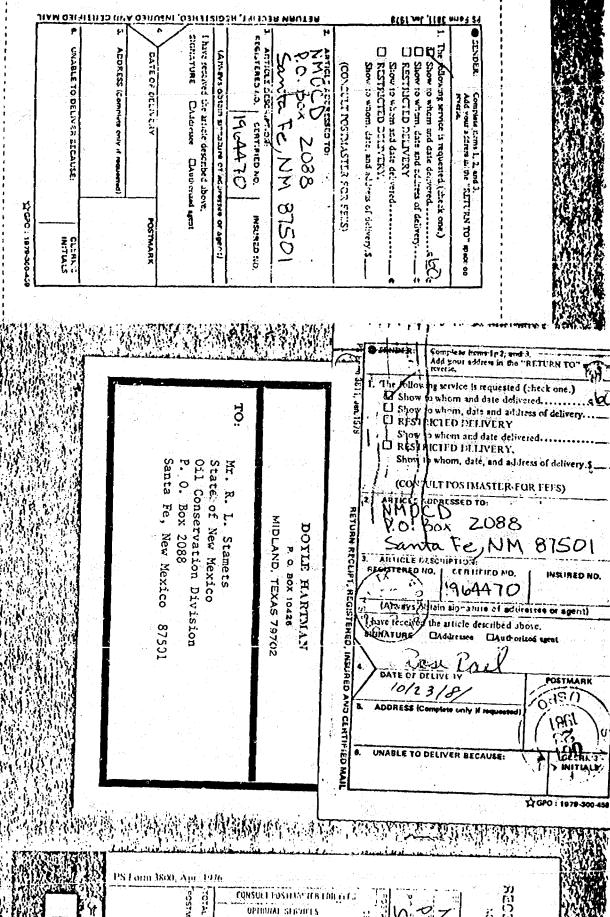
CONSULT DISTRACT TO BETWEEN STREET STREET

PO BOX 3109

RETURN STREET STREET

PO BOX 3109

PO BOX



PS Form 3800, April 1976

PS Form 3800, April 1976

PO Box 2088

PO Bo

DOYLE HARTMAN

Oil Operator
BOON MAIN
P. O. BOX 10426
MIDLAND, TEXAS 79702

(615) 684-4011

October 21, 1981

Mr. R. L. Stamets State of New Mexico 011 Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> e: Amended Request for Non-Standard Proration Unit and Non-Standard Location Ellen Weir No. 1 S/2 SW/4 and NW/4 SW/4 Sec. 3, T-20-S, R-37-E Lea County, New Mexico

Gentlemen:

Please find enclosed an amended application for a non-standard location and non-standard proration unit for our proposed Ellen Weir No. 1 Eumont (Gas) well located in M-Section 3, T-20-S, R-37-E, Lea County, New Mexico. Our original request to the New Mexico Oil Conservation Division dated October 21, 1981, listed W. K. Byrom as the offset Eumont (Gas) operator to the west whereas a further record check shows that Exxon Corporation is the actual Eumont (Gas) offset operator to the west.

Certified copies of the amended application have also been sent to both parties affected by the amended application. Regular mail copies are being furnished to the other offset operators that received certified copies of the original application, but who are not affected by the new changes.

Thank you for your patience in this matter.

Very truly yours,

Doyle Hartman

DH/mh

Enclosures as above

DOYLE HARTMAN

Oll Operator

500 N MAIN
P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 21, 1981

AMENDED REPORT

Nr. R. L. Stamets State of New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Re: Request for Non-Standard Proration Unit and Non-Standard Location Ellen Weir No. 1 S/2 SW/4 and NW/4 SW/4 Sec. 3, T-20-S, R-37-E Lea County, New Mexico

Gentlemen:

In the near future, I plan to file a C-101 and C-102 with the New Mexico Oil Conservation Division district office in Hobbs for permission to drill a new Eumont (Gas) well at a non-standard location consisting of 660 FSL and 330 FWL, Secton 3, T-20-S, R-37-E. The subject well will be drilled on a presently un-dedicated 120-acre non-standard proration unit comprised of the S/2 SW/4 and NW/4 SW/4 of Section 3, T-20-S, R-37-E, Lea County, New Mexico. Since the subject well is located at a non-standard location on a 120-acre non-standard proration unit, I hereby file for administrative approval to drill the subject well at a non-standard location consisting of 660 FSL and 330 FWL Section 3, T-20-S, R-37-E and also for administrative approval to dedicate the new well to a 120-acre non-standard proration unit comprised of the S/2 SW/4 and NW/4 SW/4 of Section 3, T-20-S, R-37-E, Lea County, New Mexico.

The subject 120-acre tract was previously dedicated to Tenneco's Ellen Weir No. I located 2310 FSL & 330 FWL Section 3. However, Tenneco's Ellen Weir No. I last produced in May, 1980, and a notice to plug and abandon was filed with the NMOCD in July of this year.

Three copies of a plat showing the location of the proposed well are enclosed.

Copies of this plat and application have also been sent by certified mail to all offsetting parties owning Eumont dry gas rights. The following is a list of the offset Eumont dry gas rights owners:

W. K. Byrom 103 West Lea Hobbs, New Mexico 88240 Mr. R. L. Stamets October 21, 1981 Page 2

Conoco, Inc. P. O. Box 1959 Midland, Texas 79702

Attention: H. K. Mosley

Division Manager

Texaco, Inc.
P. O. Box 3109
Midland, Texas 79702

Attention: R. D. Tomberlin

Division Petroleum Engineer

Amerada Hess Corporation
P. O. Drawer D
Monument New Mexico 88265

Exxon Company, U.S.A. 1700 W. Broadway Andrews, Texas 79714

Attention: Mr. L. A. Bryan
District Engineering Manager

Thank you for your consideration.

Very truly yours,

Doyle Hartman

DII/mh

Enclosures as above

cc: Mr. Jerry Sexton
New Mexico Oil Conservation Division
District I Office
P. O. Box 1980
Hobbs, New Mexico 88240

Mr. William P. Aycock 308 Wall Towers West Midland, Texas 79701 Mr. R. L. Stamets October 21, 1981 Page 3

Campbell, Byrd and Black, P.A. P. O. Rox 2208
Santa Fe, New Mexico 87501

Attention: Mr. William F. Carr

Maddox and Renfro P. O. Box 2508 Hobbs, New Mexico 88240

1.

Attention: Mr. Don Maddox

LIST OF OFFSET EUMONT (GAS) OPERATORS

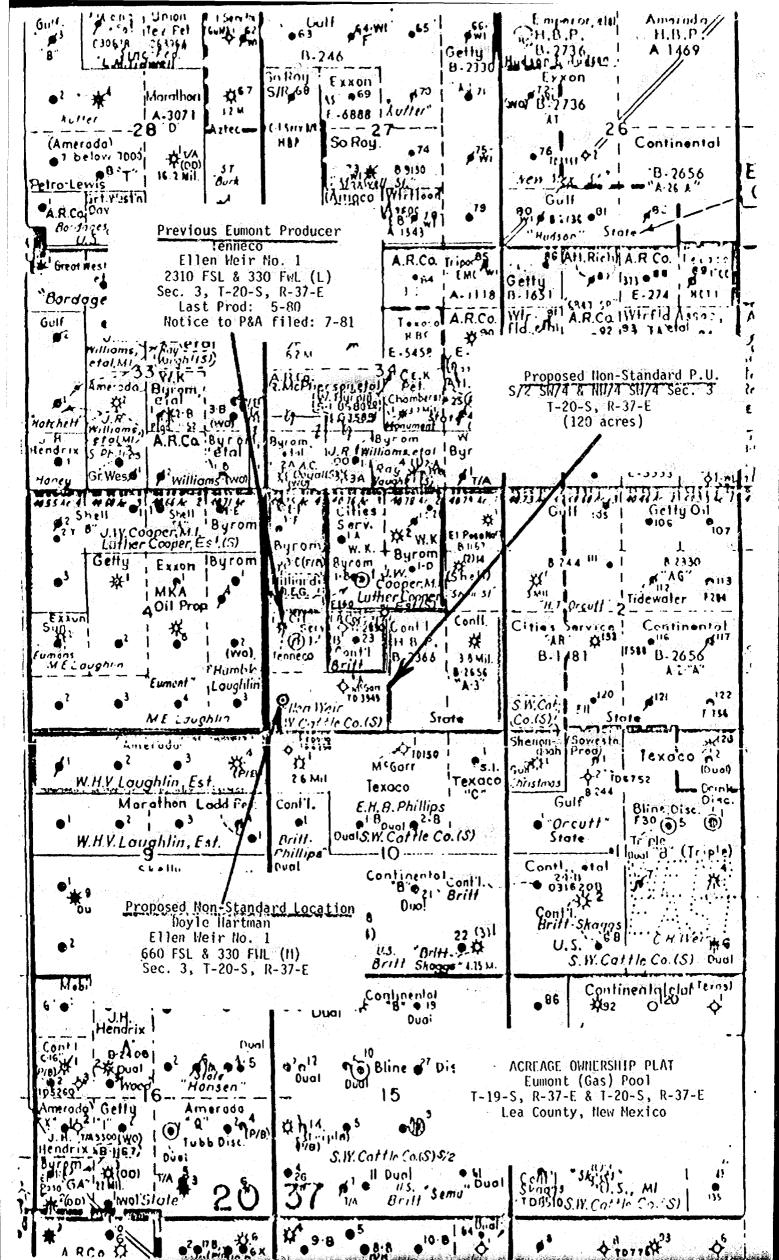
Doyle Hartman
Ellen Weir No. 1

M-Section 3, T-20-S, R-37-E

(S/2 SW/4 and NW/4 SW/4 Sec. 3, T-20-S, R-37-E)

Lea County, New Mexico

Amerada Hess Corporation	Texaco, Inc.	Conoco, Inc.	Conoco, Inc.	W. K. Byrom	W. K. Byrom	Operator Exxon Company, U.S.A.
WHV Laughlin No. 4	EHB Phillips No. 1	Britt Lease	State "A-3" No. 1	J. W. Cooper No. 3	Cooper "F" No. 2	Lease & Well Name(s) Eumont "Gas Com-1" No. Eumont "Gas Com-1" No.
A-9-20S-37E	D-10-20S-37E	No Active Well	I-3-20S-37E	B-3-20S-37E	D-3-20S-37E	Gas Well Locations 1 J-4-20S-37E 2 L-4-20S-37E
N/2 N/2 Section 9 T-20-S, R-37-E	N/2 NW/4, SE/4 NW/4, and NE/4 Section 10, T-20-S, R-37-E	NE/4 SW/4 Section 3 T-20-S, R-37-E	SE/4 Section 3 T-20-S, R-37-E	E/2 NW/4 and W/2 NE/4 Section 3, T-20-S, R-37-E	W/2 NW/4 Section 3 T-20-S, R-37-E	Unit Description All Section 4 T-23-S, R-37-E
160	280	4 0	160	160		Number of Acres



REGISTERED NO. | CENTIFIED NO. i have received the article described above. CUNSTE TO DECIMEN DECYMEN (Always cutain signature of addressive or agent) DATE OF DELIVERY RESTRICTED DELIVERY. Show to whom, date and address of delivery...... Show to whom and the delivered...... Show to wham and date delivered...... Show to whom, date, and address of delivery &_____ (CONSULT POSTMASTER FOR FEES) Complete terms I, 2, and 3.—Add your address in the "RETURN TO" apage on several. 1964475 Church intred agent 88240 5 ON CIRCIAN 1979-3: 0-51 THE TAKES

CT:

W. K. Byrom

Hobbs, New Mexico 103 West Lea

88240

favo teceived the utilite described abovo. erusangis nistria syswiAi Show to whom, date, and addre D RESTRICTED DILLIVERY RESTRICTED DELIVERY

PS Form 3800 OPHONAL STRVICES RETURN RECEIPT STRYCE SET SET SEE Sel-130 14 (365) 18.

MIDLAND, TEXAS 79702

DOYLE HARTMAN

P. O. BOX 10426

35,000.00

FOR THE STATE OF T 東京学 10年の出海では海口であた では、ののではかり

Amended Request mailed

SENDER: SIGNATURE DAGGETHE DAGGETHE Agent REGISTERED NO. | CEATIFIED NO. I have received the unicle described above. UNABLE TO DELIVER BECAUSE ACDRESS (Complets only If requests (Always obtain signature of appraise or agent) ARTICLE DESCRIPTION: Conoco, Inc. T RESTRUCTED DELINERY. C RESTRICTED DELIVERY DATE OF DELIVERY P.O. Box Midland. (CONSULT POSITIONSTER FUR TEES) Show to whom, dim, and siliters of delivery. Show to whom and date delivered Contribut status 1, 2, and 3, Add your address as the "RETURN TO" apade on reverse. 1964474 79702 TA CPO : 1979-300-458 DA GBBRRS CLERAS

	SENDER: Complete Hams 1, 2 and 2
然祖	11/15 trieffe.
	E I. The following service is requested (check one.)
	Show to whom, date and address of definitioning
19:00	U RESTRICTED DELIVERY
	Show to whom said date delivered
36,3	Show to whom, date, and address of delivery. \$
100	The state of the s
	(CONSULT POSTMASTER FOR FEES)
	2. ARTICLE ACORESSED TO:
	Conoco, Inc.
1	P.O. Box 1959
77	3 Midland, 1x 19102
A Y	3. ARTICLE DESCRIPTION:
3	ZI is straightful in the straigh
1	1964474
	(Always obtain signature of a dressee or agent).
	have received the article described above.
	BIGNATURE DAddress Tlauthrized seen
777	
	DATE OF DELIVERY TO THE WALL POSTMAND
27	SI/ / OCT
2	5. ADDRESS (Complete only If respected) 22
137	1981
	· 기 1 801 / 시
13	B. UNABLE TO DELIVER BECAUSE: COCERN'S
	Dirtus
en i	¥300:1978-300-453

SECRET FOR CESTIFIED WALL
SONST HIS RESIDENCE HOUSE

自分の存在に存

onoco, Inc.

DOXIE HARTMAN
P.O. BOX 10426
MIDLAND. TEXAS 79702

TO: Conoco, Inc.
P. O. Box 1959
Midland, Texas 79702

Attention: M. K. Mosley
Division Manager

	SQ	CO	ns0(1 mana	IOSTMA IAI SERV	SILB FO)R !!	115
10-21-8	AL POSTAGE AND FEES			art sit	AU	188 # C.	GOOD STORE SHOW
31	1.87				8		

MA.

PH _0044/4

ST STATES SIGNATURE CANdersiae Cauthorized agent i have received the article described above. REGISTERED NO. | CCRTIFIED NO. I. The following service is requested (check one.) ACCRES Complete only if reque WARLE TO DELIVER SECRETE thinkeys of tein agrature of addressee or agent) ARTICLE DESCRIPTION: C RESTRICTED DELIVERY. RTICLE ACORESSES TO Midland, P.O. Box 510 (CONSULT POSTMASTER FOR FEES) Show to whom, date, and address of delivery. Show to whom and date delivered. Compose settless in the "RETURN TO" space on 1964473 1 GPO: 1579-300 469 WINED NO POSTMARK CLLHKS

	SENDER: Complete linute 1, 2 and 3, Add your address in the "REILIPM TO" space of everon.
	1. The following service is requested (check one.) 1. Show to whom and date delivered
1.5	RESTRICTED DELIVERY
	Show to whom and date delivered
	Show to whom, date, and address of delivery.\$
	(CONSULT POSIMASTER FOR FEES)
	2 ANTICLE ADDRESSED TO
2	P.O. Box 3109
N N N	Midland, TX 79702
RECEIPT	ARTICLE DESCRIPTION
,7	REGISTERED NO. CENTIFIED NO. MEURED NO.
EGIS	(Aliveys obtain signature of eridressoe or egent)
~1	I have received the article described above.
ERED,	SIGNATURE DAddressoe DAufigrized agent
3	James telles to Miss
ê,	10.27 EL
8	AUDRESS (Complete unity if requestrate)
	1301
INSUNED AND CERTIFIED MA	UNABLE TO DELIVER BECAUSE:
0	CUTIK S

RECEIPT FOR CERTIFIED MAIL

はいかいましい

Attention: R. D. Tomberlin Division Petroleum Engineer	P. O. Box 3109 Midland, Texas 79702
in coleum Engineer	

POSTWARK OR DATE

10-21-81

		Ý
	E	THE WARRY TO
7	10000000000000000000000000000000000000	114
	11.	
AGY.		X

CHIPSOLITUSINASTINIUS

RECORDINASTINUS

OFFICIAL STRUCTS

OFFICIAL

M 6. UNABLE TO DELIVER BECAUSE: CLERK 1	D S. ADDRESS (Complete day if requested)	DATE OF DELIVERYY POSTMARK	A LATICLE DESCRIPTION: A CONTRACT NO. CERTIFIED NO. DISTRED NO. INCLINED CONTRACT NO. INCLINED CO.	n Dii	Show to whom and date delivery. Show to whom and date delivered	O SENDER: Complete items 1, 2, and 3, Add your address m the "RETURN TO" special
\$ 5						8

TO:

P. O. Drawer D

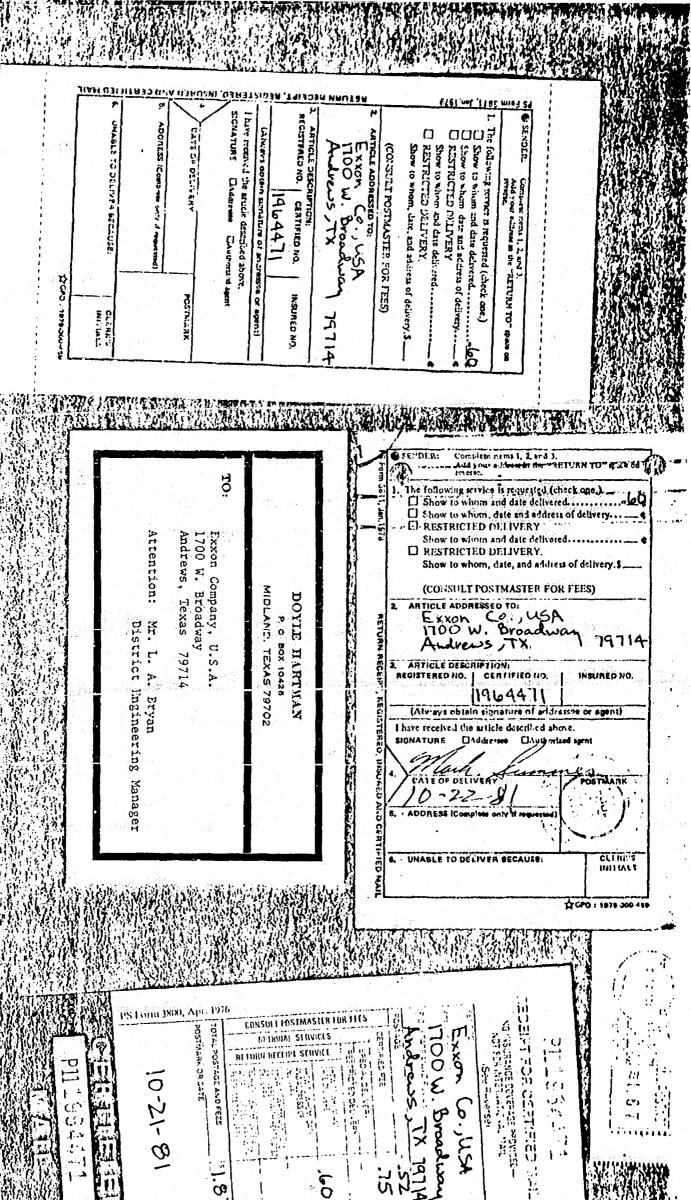
Amerada Hess Corporation

DOYLE HARTMAN
P. O. BOX 10426
MIDLAND, TEXAS 79702

Monument, New Mexico 88265

PS on	SENDER: Complete licms 1, 2, and 3. Add your address Britle "RETURN TO" space on reverse.
39(1, Jan, 19)	The following secrice is equested (check one.) I Show to whom and date delivered
	Show to whom and date delivered
- K 07/4 3	(CONSULT POSTMASTER FOR FEFS) 2. ANTICLE ADDRESS OF TO: ALLER ADDRESS OF P. D. O. Drawer D.
E 501 81	Monument, NM 88265 Anticle description: Registered NO. 1. CERTIFIED NO. 1. INSURED NO.
IPT, ASGIS	(Always obtain signature of addressee or egent)
TERED, IM	Thava received the setterly described above. SIGNATURE DAdde the Described agent Americal descriptions X 59 K June Can
INSURED AND	DATE OF DELIVERY POSTMARK
CERTIFIED	B. UNABLE TO DELIVER BECAUSE: (1901 CUST)
I Marie	CARD THE PROPERTY OF THE PROPE

		PS Form 3800, Apr. 19	76	
	T V	POST	OPHOTAL STRUCTS	
		ANK OR DA	THE THE PROPERTY OF THE PROPER	ານ
		AND FEES		
		9		50 100 V 44 46 1
W	IVI I	%T.	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	is N
	d mar dans		A STATE OF THE STA	



The state of the second second

8. OMABLE 19 DELIVER EXCAUSE:	5. ADDRESS (Company copy of required)	DATE OF DELIVERY	(Access obtain anniture of address I have received the stricts described above stonature. Onder-see Dauthorize	CONSULT POSTULASTER FOR FELS ANTICLE ADDRESSED TO: NMOCD NOCD SOX 2080 ANTICLE ASSESSED TO: REDISTERSONO CERTIFIED NO.	1. The following service is requested (the Show to whom and date delivered. Show to whom, date and address of RESTRICTED DELIVERY Show to whom and date delivered RESTRICTED DELIVERY. Show to whom, date, and address Show to whom, date, and address	Add your address in the "RI"
CLEANS		POSTMARK	above.	1 1 1 N	ate delivered	RETURN TO PROP OF

70:		3) % C SEND	EK: Complete Home 1, 2, and 3, Add your address in the "RETURN TO" reverse.	space on
Mr. R. L. St State of New Oil Conserva P. O. Box 20 Santa Fe, Nev	мівс	6(S) VIII	following service is requested (check one.) Show to whom and date delivered Show to whom, date and address of delivery RESTRICTED DELIVERY Show to whom and date delivered RESTRICTED DELIVERY. Show to whom, date, and address of delivered CONSULT POSTMASTER FOR FEES)	••••
Stamets New Mexico Vation Division 2088 New Mexico 87501	DOXLE HARTMAN P. O. BOX: 0426 IDLAND, TEXAS 79702	RETURNA	CLE ADDRESSED TO: 1 MOC D 1 MOC D 2 088; CONTA FE, NM BIS ICLE DESCRIPTION: ERED NO. CERTIFIED NO. MAURI	7(
		I have to	Pour Roel	HELP
		AND CERTIF	RESS (Complete only if requested)	HE HANDON
		WIT BOW	BLE TO DELIVER BECAUSE:	TET 1

101 1810, Apr. 1976

CHASUIT MISTIMA STREETING THES

CHASUIT MISTIMA STREETING THES

OPTIMAL STREETING

OPTI

Very truly yours,

OCT 2 8 1981

DOYLE HARTMAN

Oll Operator BOO N MAIN

P. O. BOX 10426 MIDLAND, TEXAS 79702 .

(918) 684-4011

October 21, 1981

To All Off-Setting Eumont Dry Gas Owners Ellen Weir No. I S/2 SW/4 and NW/4 SW/4 Section 3, T-20-S, R-37-E Lea County, New Mexico

We would be very appreciative if you would indicate your approval of our request for non-standard proration unit and non-standard location to be dedicated to the above captioned well by signing one copy of this request and returning it in the enclosed stamped, self-addressed envelope.

We have a rig available which we would like to use in the drilling of this well, so your prompt attention in this matter would be very much appreciated.

Title

Offset Eumont Dry Gas Owners Ellen Weir No. 1 Page 2

Exxon Company, U.S.A.

Title

4 .					
Ь	,				
•	,				
•		 			



Production Department
Holytis Division
Western Hemischere Petroleum Division

Conoco Inc. P.O Box 460 726 E. Michigan Hobbs, NM 88240 (505) 393-4141

October 28, 1981

Doyle Hartman
Oil Operator
P.O. Box 10426
Midland, Texas 79702

Gentlemen:

Amended Request for Non-Standard Provation Unit and Non-Standard Location - Ellen Weir No. 1 - S/2 SW/4 and NW/4 SW/4 Section 3, T-20S, R-37E, Lea County, New Mexico

Conoco Inc is returning your letter ballot on the above subject unsigned. We realize that our offsetting tract will not be directly affected by your request, however we believe that only under the most extenuating of circumstances should a gas well be drilled closer than 660' from an offsetting lease line, regardless of smallness of the proration unit.

Conoco would not formally oppose your request because of the location of our lease, however we hope that you will understand and respect our opinion concerning the location of gas wells, especially since it appears that a more nearly standard location would be drillable.

Very truly yours,

HAT:rej

CC:

Mr. Jerry Sexton New Mexico Oil Conservation Division District I Office P.O. Box 1980 Hobbs, New Mexico 88240 Mr. William P. Aycock 308 Wall Towers West Midland, Texas 79701

Campbell, Byrd and Black, P.A. P.O. Box 2208
Santa Fe, New Mexico 87501
Attention Mr. William F. Carr

Maddox and Renfroi P.O. Box 2508 Hobbs, New Mexico' 88240 Attention Mr. Don Maddox

DOYLE HARTMAN

OIL Operator

500 N MAIN
P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 664.4011 October 21, 1981

To All Off-Setting Eumont Dry Gas Owners Ellen Weir No. 1 S/2 SW/4 and NW/4 SW/4 Section 3, T-20-S, R-37-E Lea County, New Mexico

We would be very appreciative if you would indicate your approval of our request for non-standard proration unit and non-standard location to be dedicated to the above captioned well by signing one copy of this request and returning it in the enclosed stamped, self-addressed envelope.

We have a rig available which we would like to use in the drilling of this well, so your prompt attention in this matter would be very much appreciated.

Approved this ________, 1981

THE RESIDENCE OF THE PROPERTY OF THE PROPERTY

day of ______, 1981

W. K. Byrom

by

Conoco, Inc.

by

Title

Texaco, Inc.

by

Title

Amerada Hess Corporation

by_____

Title

- Offset Eumont Dry Gas Owners Ellen Weir No. 1 Page 2

Exxon Company, U.S.A.

by		
the second of the second		
Title		
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	 	

## SULTARY

# NW/4 Su/4 and S/2 Su/4 Section 3-205-37E Lea County, New Mexico

Leases signed and firmly committed to Doyle Hartman:	Net Acres 101.19444	Percentage 84.3287;
Unleased interests that will probably lease to Doyle Hartman:	10.33334	8.6111%
SUB-TOTAL	111.52776	92.9398/
Unleased interests that have indicated joinder:	8.47222	7.0602;
GRÁID' TOTAL	120.00000	100.0000;

November 16, 1981

BEFORE EX/	AMINER STAMETS RVATION DIVISION
HARMAN EXI	HBIT NO. 3
CASE NO.	7421
Submitted by	Y AYCOCK
	11:19-81



P. O. BOX 1492 EL PASO, TEXAS 79978 PHONE: 915.543-2600

November 3, 1981

Doyle Hartman 500 N. Main P. O. Box 10426 Midland, Texas 79702

Re: Ellen Weir No. 1
S/2 SW/4 and NW/4 SW/4
Section 3, T-20-S, R-37-E
Lea County, New Mexico

PEFCIS EXAMINER STAMETS
OIL CONDERVATION DIVISION

WATHAN EXHIBIT NO. 4

CASE NO. 7421

Submitted by Arcsets

Hearing Date 11-19-81

## Gentlemen:

We are enclosing herewith four copies of a proposed Gas Purchase Agreement to cover the purchase and sale of gas to be delivered from the captioned well upon its completion. We understand that this will be an NGPA 103 type completion, and that you have acquired new leases comprising the 120-acre drilling block which will be dedicated to this well.

If this meets with your approval, please sign and return all copies. We will then sign and return fully executed copies for your files.

Very truly yours,

For: Dale E. Lockett

Coordinator, Gas Purchases

CFF:kh

Attachments

cc: Mr. Clovis Moore, Midland
 (w/attach)

## DOYLE HARTMAN

Oil Operator 500 N. MAIH P. O. BOX 10426 MIDLAND, TEXAG 79702

(915) 664.4011 October 16, 1981

El Paso Natural Gas Company P. O. Box 1492 El Paso. Texas 79978

Attention: Mr. Dale Lockett

Re: Ellen Weir No. 1
Eumont Gas Interval
S/2 SW/4 and NW/4 SW/4
Section 3, T-20-S, R-37-E
Lea County, New Mexico

### Gentlemen:

We have recently acquired all new leases on the 120-acre tract consisting of the S/2 SW/4 and NW/4 SW/4 Section 3, T-20-S, R-37-E, Lea County, New Mexico. The leasehold interest covering this tract was previously owned by Tenneco Oil Company. Tenneco dedicated this 120-acre tract to Northern Natural Gas Company's interstate gas system, but in July, 1981, plugged and abandoned their sole producer on the tract. By virtue of this abandonment, the original leases to Tenneco expired, and Tenneco's rights were terminated.

Since Doyle Hartman is now the holder of new leases covering the subject 120-acre tract (S/2 SW/4 and NW/4 SW/4 Section 3), and these leases are unencumbered by any previous contracts entered into by Tenneco, Doyle Hartman hereby requests a new gas purchase agreement from El Paso Natural Gas Company covering our Eumont Gas rights on the subject tract. We furthermore request that the new contract provide for wellhead pricing including BTU adjustment and taxes, appropriate FERC and area rate clauses, deregulation language, etc.

One of the new leases covering 25% of the tract stipulates that the gas must be connected within thirty days of the completion of the well. It is our intention to spud the well at a location 660 FSL & 330 FWL Section 3, as a Rumont Gas well (barring any topographical restrictions and/or opposition by offset operators) on or about November 15, 1981, with the completion to be finalized on or about December 5, 1981. We would very much like to have the necessary contract work completed and pipeline connection ready as near to this projected completion date as possible. We will be sending Ei Paso all required state forms so that you may keep abreast of the progress of the well.

El Paso Natural Gas Company October 16, 1981 Page 2

Your prompt attention to this matter will be very much appreciated.

Very truly yours,

Doyle Hartman

DH/mh

cc: El Paso Natural Gas Company P.O. Box 1492 El Paso, Texas 79978

Attention: Mr. Ferd Fry

El Paso Natural Gas Company Two Petroleum Center Suite 200 North "A" at Wadley Midiand, Texas 79701

Attention: Mr. Clovis Moore

Fluor Oil and Gas Corporation 615 Midland Tower Building Midland, Texas 79701

Attention: Mr. Clem Ware

Campbell, Byrd and Black P. O. Box 2208 Santa Fe, New Mexico 87501

Attention: Mr. William F. Carr

William P. Aycock 308 Wall Towers West Midland, Texas 79701 (915) 686–8721

883 4329 - HOME

E.M. GORENCE
Oil 6 Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702
November 5, 1981

Re: NI/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

I'r. James R. Lecton, Sr. C&K Petroleum Building Midland, Texas 79701

Dear Mr. Leeton:

This letter is written in confirmation of our discussions concerning the leasing of oil and gas rights in the captioned lands owned as follows:

B, A. Christmas, Jr.	1.25 net acres		
Mary T. Christmas Holladay	.3125 net acres		
Candy Christmas Alewine	.3125 net acres		
Helen Jane Christmas Barby	.3125 net acres		
Bradford Christmas	.3125 net acres		

We understand you are handling the leasing of above tabulated interests.

We delivered to you on October 15, 1981, four separate leases for execution by all of the above parties, except B. A. Christmas, Jr.; such leases providing for a 30% royalty and a two year primary term. You have advised these leases are circulating and we can expect their execution and return in the next few weeks. You also advised the interest of B. A. Christmas, Jr. will be leased to Black Bear Oil & Gas Corporation and probably a subsequent assignee will join in the drilling of our proposed well.

Er. Doyle Hartman, as operator, has made application to the Oil Conservation Division in Santa Fe for a non-standard unit covering 120 acres (above captioned), an unorthodox well location and the pooling of all uncommitted interests. He realize you have advised we should receive a signed commitment of the intersts you represent, but since the hearing is scheduled for November 19, 1981, we are, for precautionary reasons, including in the pooling request all interests not fully committed at this time. Er. Hartman has obtained a rig which is scheduled to commence the proposed well on or shortly after November 22, 1981. A copy of the AFE is enclosed.

For your information, Mrs. Joyce Christmas Brown has advised us by phone the Trustee will execute a lease to us covering her interest on mutually acceptable terms discussed with you.

Your help in this matter is much appreciated.

Yours very truly,

12:G/sg

E. I. Gorence

Per Lector de de June well - 1 halls

BA Christmas

Joyce Chartner Brann

B.A. Christmas -Lease to Black Boar Oil & Gas Corporati

(1.15 acres) =

1.0416657% 30% rougally - years

Assign kase to Pauline Christmas (B.A. Christmas with of taline Comitment will joint

Caildren of B.A. Christing)

many T.

Candy

Brollord Lile Jane

OK - 30% nogetty

lease do F. M. Grerence

Joyce Brown 7.5 acres

· Submit leave 30th royally y

Hours equity presion a consequence. Lector will sice Mr. Brown clean

do kere whom the I saw.

or 30 % - no bonnes.

Ald whom hear a wive. It from feeting Sr. Coke

Lexer out of four water starte 10/29/11-

and testing till word and not return coll ils he

Mules - Lector says leaves are circulating -





9/28/81 - Talked to B. Ace Christmas. He said he is ready to lease for 2 yrs for 30% royalty and no cash bonus. He siad his 4 children probably go on same basis, but contact them directly. His sister, Joyce Christmas Brown handles own business. B.A. Christmas said submit his lease to James Leeton, Sr., Midland attorney.

682 - 3433 9/29/81 - Visited James Lecton, Sr. He said hold up on the interests of B. A. Christmas, his 4 children and Joyce Christmas Brown. This is a total of 5.00 net acres. He says he will visit with B.A. Christmas who may decide to join-apparently BAC will end up with 25% royalty and Leeton (Black Bear Oil & Gas Corp.) may end up with % ORRI if they lease.

Leeton going to Camada in few days--check back with him after October 14.

Joinder idea would probably only affect the 1.25 net acres owned by B.A. Christmas. We can still expect lease on remaining 5.3 acres--Leeton may insist on knowing name of operator.

> 915/685-2000 A great bank to call your own.

# CHRISTMAS RANCHES, INC.

CHICO ROUTE
RATON, NEW MEXICO 07740

PHONE: 505-276-2371 CAPULIN, NEW MEXICO 88414

September 14, 1981

NW SW & S/2 5W 6 NM

Also dos to

Mr. E. M. Gorence Box 10460 Midland, Texas

Dear Mr. Gorence:

For some time now we have been leasing in Lea County for 30 % royalty and no cash bonus.

Thank you for your offer but I have discussed it with my family and we do not feel it is acceptable.

The Court of Facility

Yours truly,

B. A. Christmas

Met dever 1.25 Heisteinen 1.25 Lister - Jeges Christian Brewn 2.50

5,:0

E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702

(915) 683 6222 - OFFICE

August 31, 1981

Re: MV/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. B. A. Christmas, Jr. Chico Route Raton, New Mexico 87740

Dear Mr. Christmas:

A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/4 of 1/24 interest, or 1.25 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$187.50.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly,

E. H. Gorence

EIG/sg

E.M. GORENCE
Oil to Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702
August 31, 1981

(915) 683 6222 — OFFICE

Re: NN/4 SN/4 and S/2 SN/4 Section 3-20S-37E Lea County, New Mexico

9/29/81 - Defer for completion negotiations on B:A.Christmas interest with James Lecton, S. Midland attorney

1!rs. Mary T. Christmas Holladay Box 3444 Houston, Texas 77001

Dear Hrs. Holladay:

A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/16 of 1/24 interest, or .31250 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$46.88.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly,

E. H. Gorence

Distance and

DC/sg

E.M. GORENCE
Oil & Gas Properties
P.O. 80X 10460
MIDLAND, TEXAS 79702

(015) 683 6222 — OFFICE 483 4329 — HOME

August 31, 1981

Re: III/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

9/29/81: Defer for completion negotiations on B. A. Christmas interest with James Lecton, Sr., Midland attorney

Mrs. Candy Christmas Alevine 3602 86th St. Lubbock, Texas 79414

Dear lirs. Alevine:

A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/16 of 1/24 interest, or .31250 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$46.88.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly,

MG/sg

E. II. Gorence

# E.M. GORENCE Oil & Gas Properties P.O. BOX 10460 MIDLAND, TEXAS 79702

(F15) 683 6222 - OFFICE 683 4329 -- HOME

August 31, 1981

Re: IN/4 SI/4 and S/2 SN/4 Section 3-20S-37E, Lea County, New Mexico

Progler - Deter Les conflictions negetations on B.A. Const.

AND SUBJECT TO APPROVAL OF

Hr. Bradford Christmas
Box 173
Wagon Hound, Hew Hexico 87752

Dear Mr. Christmas:

A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/16 of 1/24 interest, or .31250 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$46.88.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly,

E. II. Gorence

ENG/sg

l'idland, Texas August 31 ,19 81 NO.



Same and the second second

E.M. GORENCE Od & Gas Properties P.O. BOX 10460 MIDLAND, TEXAS 79702

(915) 683 6222 - OFFICE 683 4329 - HOME

August 31, 1981

Re: MI/4 SII/4 and 5/2 SIV/4 Section 3-20S-37E. Lea County, New Mexico

9/29/81 - Defer for completion negotiat with B. A. Christmas through James Leeton, Midland attorney

Mrs. Helen Jane Christmas Barby Pox 36 Laverne, Oklahoma 73848

Dear Mrs. Barby:

A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/16 of 1/24 interest, or .31250 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$46.88.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly.

ENG/sg

E. M. Gorence

A MARINA SANTA DE LA CARRESTA DEL CARRESTA DEL CARRESTA DE LA CARRESTA DEL CARRESTA DEL CARRESTA DE LA CARRESTA DE LA CARRESTA DE LA CARRESTA DEL CARRESTA DE LA CARRESTA DEL CARRESTA DE LA CARRESTA DE LA CARRESTA DEL CARRESTA DE LA CARRESTA DE LA

(915) 686-8721 01343028222 - OFFICE 663-4329 - HOME E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702

Hovember 5, 1981

Re: N. 4 Su/4 and S/2 Su/4 Section 3-20S-37E Lea County, New Mexico

Ers. Joyce Christmas Brown 909 North Alameda Las Cruces, New Mexico 88001

Dear l'rs. Brown:

30% royalty. 7 years and gas lease No bonns

Pursuant to your call we are enclosing herewith an oil and gas lease for execution by you and the Security Trust Company, as Trustee, covering your interest in the captioned lands.

The signatures should be made before a notary public with the appropriate acknowledgment completed on the reverse side of the lease.

We plan to start our well about November 22, 1981, and have scheduled a hearing before the Oil Conservation Division in Santa Fe on November 19, 1981, to pool any interests not firmly committed. Your interest is included in the hearing application as a precautionary measure on our part; therefore, it is important we receive a signed lease covering your interest in the next ten days so that your interest not be involved in the hearing.

Thank you for your help in this matter.

Yours very truly,

ER/sg

E. K. Gorence

lie: 114/4 Sh/4 and 5/2 Sh/4 Section 3-20S-37E

Lea County, New Mexico

(15/576.9)37 lirs. Joyce Christmas Brown 909 North Alameda Las Cruces, New Mexico 88001

Dear Mrs. Brown:

Atlantique taffin

505- 983-0679 181 (1)11 (1) A You will recall I visited with you by telephone on August 27 relative to our leasing the oil and gas rights in subject lands.

William beir held in 1941 passed title of 1/16 of 1/4 (1/64) to your mother, Annie L. Christmas. Subsequently, on Anni 27 1011 Our examination of the records indicates that the probate of the Estate of Toise of mother, Annie L. Christmas. Subsequently, on April 27, 1944, by mineral illyki - Mis deed, your grandmother, Ellen weir conveyed to your mother 1/6 of 5/8 of callet. 1/4 (5/192).

30 70 (240(1 The inventory in the will of your mother includes the listing of the above mentioned 5/192 interest received from Ellen Weir, but does not include the * 10 would for 1/64 interest acquired by your mother through the probate of the Estate of although fil William Weir. The Will of your mother conveyed to you one half of her interest in the captioned lands, regardless of the listing in the inventory.

Job. Will to the Security Trust Company, Trustee, specifically lists only your interest services in the 5/192 interest mentioned above. This has the effect the "most account to the 5/192 interest mentioned above. 1/2 of 5/192 interest and you, as your sole and separate property, own 1/2 ( 1/1/2) of 1/64 (1/128) interest. In leasing these interests it will be necessary to have two separate oil and gas leases.

We are interested in acquiring three year paid up oil and gas leases for a consideration of \$150.00 per net acre plus 3/1/3 royalty. The cash bonus to the Trust covering 1.5625 net acres is \$234.38 and to you covering .9375 net acres is \$140.63.

We are enclosing two loases for execution. We understand any leases concerning the Trust are presented by you to the Security Trust Company for execution. Also enclosed are two collection drafts in amounts state above. Each lease should be executed before a notary public and deposited with the appropriate draft in your bank or Janks for payment through normal banking channels. Letter Signed by E.M. Gorene

Your halm in his watt	August 31, 1981	, 19	NO	
PLACE	DATE			
30 DAYS AFTER Sight	Trize , two	77 4 47	AND SUBJECT TO APP	
AY TO THE ORDER OF Security executed by John Allen Brown	Trust Company, A Trustee	under that	certain Trust /	green
AY TO THE ORDER OF BEOM	and Joyce Christmas Brow	พท	↑ 22li 38	4.3

under date of June 6, 1975 Two hundred thirty four and 38/100ths ----WITH EXCHANGE

FOR oil and gas lease covering NN/4 SW/4 and S/2 SW/4 Section 3.

Township 205, Range 37E, Lea County, New Mexico

E. M. Gorence (683-6222)

First National Dank

NOT A CASH ITEM

Hen

dein

# Hovember 10, 1981

Re: Weir Lease

George Wesley Weir

Er. Glen L. Houston 1010 North Fowler Hobbs, New Mexico 88240

Dear lir. Houston:

Pursuant to our phone conservation today, I am enclosing leases covering the two lessing situations with either 25 or 30, royalty.

Thank you for your help. We would like to have this completed by our hearing date of Povember 19, 1931.

Yours very truly,

- Milder Committee and Committee Com

E. l. Gorence

11/10/81 Hearten advised they would probably sign for

(1) 55% royalty + Miso and - 6 month love.

Or

(2) 30% royalty -1 no beaut 6 month love.

Mill come Color thistory coming ser- 393 esc?

the local house Test been see a see a see of see a less than the state of the see and the see and the second of th

few days

15-1-11.

1/6/81

Houston out of town will 11/8/81. - EG-Honoton says he has not yet contacted the wain brothers but will soon - requested reason Kesses which were forwarded this date. (915) 686-8721 MINDENDEZ - OFFICE 483-4329 - HOME E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702
October 17, 1981

Re: Nw/4 Sw/4 and S/2 Sw/4 Section 3-20S-37E Lea County, New Mexico

When the content and the Medical I

Mr. Jimmy C. Weir Box 777 Jul, New Mexico 88252

Dear Mr. Weir:

This is in reference to the oil and gas leasing rights held by you and your brother and sister in the captioned lands covering an undivided 1/24 interest, or 5.00 net acres. You will recall this has been the subject of our letter of September 3, 1981, and three telephone conversations.

We wanted to make you aware of some new information that has developed since I last talked to you on Wednesday evening, October 16th, that may assist you in making an early decision.

It is planned that a 4100' Eumont gas well be drilled at a non-standard location in SN/4 SN/4 Section 3. The well is to be drilled by Doyle Hartman, a reputable Midland operator. Nr. Hartman has a firm obligation to the owner of 25% of the minerals to commence drilling by December 31, 1981, and in view of this obligation is being forced to contract for a drilling rig that will be available only in a time slot from approximately November 22, 1981, to December 1, 1981. You are probably aware that drilling rigs are in short supply near the end of the year. We estimate the completed well cost to be approximately \$320,000.

Mr. Hartman has made application for a hearing before the Oil Conservation Division of the State of New Mexico in Santa Fe on November 18, 1981, for the purposes of approval of the non-standard location and forced pooling of those unleased mineral interests that have not made a firm commitment by such date.

We are willing to increase the royalty to 1/4 on the lease submitted to you to encourage your early acceptance of our leasing offer. You may change and initial the royalty changes in the appropriate spaces on the oil and gas lease.

We hope this supplemental information will be of help. Two extra copies of this latter are enclosed for forwarding to your brother and sister.

We will be looking forward to your early response. Thank you for your help in this matter.

Yours very truly,

E. M. Gorence

BiC/sg

10/7/81 - Called Jimmy Wille will probably most with brother a sister in finition . Tofolks. The mily make deciden then.

14/14/21 - Case of Timing wend - bitthen the ong cheathing and with house operation and what manifely the state manifely to have a summer by 10/30/21- 1-1 Cining with the control of the

E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702

(915) 683-6222 — OFFICE 683-4329 — HOME

September 3, 1981

505-394-2829

Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Phone call

Phone call

Phone call

Phone call

Order

Calling on brother

lives G. It. Hood in army

I sister fires in Sight.

Mr. Jimmy C. Weir Box 777 Jal, New Mexico 88252

Dear Mr. Weir:

This concerns the oil and gas leasing rights in the captioned lands owned by your late grandfather, George W. Weir, covering an undivided 1/24 interest, or 5.00 net acres.

You may recall you advised me by phone that this estate is in probate and that the sole heirs under the will are yourself, your brother, George W., and your sister, Sue Ellen Weir. In checking the District Court records we are advised you are the Personal Representative of the estate.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$750.00, covering the above mentioned 5.00 net acres.

If this offer is acceptable, we request that you please execute the enclosed lease before a notary public; in order that we be properly protected when the probate is closed, we also ask that your brother and sister also execute the lease at this time. When all signatures and notary public acknowledgements are completed the lease together with the enclosed collection draft should be deposited in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions.

Thank you.

Yours very truly,

Embranen-

EMC/bs(:

E. M. Gorence

 Milland, Texas	September 3	. 19 81	NO
PLACE	DATE	* /	1101
 30 HAYS AFTER Sight			AND SUBJECT TO APPHOVAL

CONTRACTOR OF THE PROPERTY AND THE PROPERTY OF THE PROPERTY OF

E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702

(915) 683-6222 -- OFFICE 663-4329 -- HOME

October 23 1981

> Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. Gaines Hoyt Bolding
Box 389
Farmington, New Mexico 87401

Dear Mr. Bolding:

This is in further reference to our letters of August 31, 1981, and October 7, 1981, concerning the lensing of your oil and gas rights in the captioned lands.

We regret that we have to press you in this matter since we understand you are in an isolated area and it is probably difficult to find a notary public.

This has become an urgent matter because it is our intention to have a well started on the captioned lands by approximately November 22, 1981; the year end rig problem is partly responsible for this. In this connection we have a hearing scheduled before the Oil Conservation Division of the State of New Mexico in Santa Fe on November 18, 1981, for approval of a non-standard unit and location and for force pooling of any unleased interests. This means we would have to include your interest in this force pooling proceedings if we do not have your lease. We would much prefer to not be forced to go through this procedure.

We would much appreciate your furnishing the executed lesse in the next few days. Please accept our apology for our insistence in this matter.

Yours very truly,

E. M. Gorence

E.M. GORENCE
Oil & Ge. i : sperties
P.O. BOX 10460
MIDLAND, TEXAS 79702

(915) 663-6222 -- OFFICE 683-4329 -- HOME

October 23 1981

> Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. Gaines Hoyt Bolding
Box 389
Farmington, New Mexico 87401

Dear Mr. Bolding:

This is in further reference to our letters of August 31, 1981, and October 7, 1981, concerning the leasing of your oil and gas rights in the captioned lands.

We regret that we have to press you in this matter since we understand you are in an isolated area and it is probably difficult to find a notary public.

This has become an urgent matter because it is our intention to have a well started on the captioned lands by approximately November 22, 1981; the year end rig problem is partly responsible for this. In this connection we have a hearing scheduled before the Cil Conservation Division of the State of New Mexico in Santa Fe on November 18, 1981, for approval of a non-standard unit and location and for force pooling of any unleased interests. This means we would have to include your interest in this force pooling procedings if we do not have your lease. We would much prefer to not be forced to go through this procedure.

We would much appreciace your furnishing the executed lease in the next few days. Please accept our apology for our insistence in this matter.

Yours very truly,

E. M. Gorence

Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. Gaines Hoyt Bolding Box 389 Farmington, New Mexico 87401

Dear Mr. Bolding:

You may recall I wrote you meveral weeks ago concerning your interest in the captioned lands which we desired to lease for the oil and gas rights.

Since you are probably not near your home bank it occured to me that you might pracer to be paid by direct check and mail the lease to me. I, therefore, have taken the liberty of preparing the enclosed check for your commendance. The lease must be completed as to your signature before a notary public; also the notary should complete the acknowledgment blank on the reverse side.

He are rapidly securing the numerous leases required to complete this project and are most anxious to be finished in the next 10 tok15 days. Your early return of the executed lease will be most appreciated.

We hope you are enjoying your stay at Elephant Butte.

Thank you.

Yours very truly,

E. M. Gorence

# E.M. GORENCE Oil & Gas Properties P.O. BOX. 10460 MIDLAND, TEXAS 79702

(915) 683 6222 - OFFICE

August 31, 1981

Re: MI/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Nexico

Remarked His winter & Cophant Balle minter & Danglier Jin million work

513-315.7115

Nr. Gaines Hoyt Bolding 1505 Schofield Lane 60 x 315 Farmington, New Mexico 874.

Dear Hr. Bolding:

A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/5 of 38/1152 interest, or .79167 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$118.76.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly,

E. N. Gorence

FIG/sg

l'idland, Texas

August 31

, 19<u>81</u>

NO.

(915) 686-8721 XXXXXXXXXXX- OFFICE 883-4379 - HOME E.M. GORENCE
Oil 6 Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702
October 27, 1981

Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Hrs. Dorothy Jean Sparger 1300 W. Cochiti Hobbs, New Mexico 88240

Dear Mrs. Sparger:

Enclosed is copy of our letter of August 31, 1981, concerning the leasing of your oil and gas rights in the captioned lands.

We are sorry that we must bother you since we know that you have been undergoing medical treatment in Houston for some time. We hope you have a speedy recovery.

The signing of the enclosed lease has become an urgent matter since it is our intention to have a well started on the captioned lands on or about November 20, 1981. We have a hearing scheduled before the Oil Conservation Division of the State of New Nexico in Santa Fe on November 18, 1981, for approval of a non-standard unit and location and for force pooling of any unleased interests. We have most of the ownership committed and believe we will have 100% by the hearing date. We certainly do not want you to be concerned about a force pooling hearing.

I am enclosing my check for \$118.76 to replace the previously furnished draft which represents a \$150.00 per acre cash bonus for your interest covering .79167 net acres. The enclosed lease should be signed by you and your signature acknowledged by a notary public in the proper blank on the reverse side of the lease. A stamped self-addressed envelope is enclosed for return of the signed lease to me.

Please accept our apology for contacting you on this matter at this time when the greatest concern should be for your early good health.

Yours very truly,

E. M. Gorence

EMG/sg

11/10/11- fly. Sparger said lease should be signed by 11/17/11- Mrs. Sparger is in Hobber - Elm

E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702

(9:5) 643 6222 -- OFFICE 663 4329 -- HOME

August 31, 1981

Re: III/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, Hew Mexico

Prs. Dorothy Jean Sparger 1300 W. Cochiti Hobbs, New Hexico 88240

505-392-8292

Dear lirs. Sparger:

A check of the records indicates that you com oil and gas leasing rights covering an undivided 1/5 of 38/1152 interest, or .79167 net acres, in the captioned lands.

We are interested in purchasing a three year paid up oil and gas lease for a consideration of 3/16 royalty and \$150.00 per acre cash bonus, or a total of \$118.76.

If this offer is acceptable to you, we request that you please execute the enclosed lease before a notary public and deposit same together with the enclosed collection draft in your local bank for payment through the normal banking channels.

Your cooperation in this leasing effort is much appreciated. Please do not hesitate to write or call collect if you have any questions in this matter.

Thank you.

Yours very truly,

E G/sg

E. II. Gorence

				- ×	
l:ic	lland, Texas	#* "	August 31	, 19_81	NO
•	PLACE		DATE		
30 6	ave acree sight				

# OIL & GAS LEASE

THIS AGREEMENT made this 21st day of	September	19 81 between		
Betty Guttag, dealing 16 Sutton Place, New 1	<u>in her sole and se</u> fork, New York 10022	parate property,		<u></u>
herein called lessor (whether one or more) and	E. M. Gorence	of	(Post Office Address)	lesses:
1. Lessor, In consideration of TEN AND OTHER DOLLARS in herein contained, hereby grants, lesses and lets exclusively untiling gas, waters, other fluids, and air into subsurface strata, taylitake care of, treat, process, store and transport said minerals, the	to tessee for the purpose of investigation og pipe tines, storing cit, building tanks	ng, exploring, prospecting, drilling, , roadways, telephone lines, and oil	and operating for and producing all a her structures and things thereon to p	of the lessee and gas, injec- troduce, save,

NW/4 SW/4 Section 3, Township 20S, Range 37E

40

	one year	
2. Subject to the other provisions herein contained, this lease shall remeln in force for a term of		from this date (called "primary term") and as
long thereafter as oil or gas is produced from said tand or from land with which said tand is pooled.	1 /n	
3. The royalties to be paid by lessee are: (a) on oil, and other flouid 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 tessor in the pipeline to which the wells may be conne	cted, (b) on gas, including casi	nghead gas or other gaseous substance produced
		1/4
from said land and used off the premises or used in the manufacture of gasoline or other products, the mark	et value at the well of	1/ T of the gas used,
provided that ongas sold on or off the premises, the royalities shall be	of the amount realized to	and a link a started and as a direction in the white takes to
not validated by other provisions hereof and tirere is a gas and/or condensate well on said land, or land poor	ted there with but can or conde	nesta te not being en edid of fitte wits; fills lease is
shut in, alther before or after production therefrom, then on or before 90 days after said well is shut in, and		
equal to \$1.00 per net acre of lessor's gas acreage then haid under this lesse by the party making such pay		
shall not terminate and it shall be considered under all clauses hereof that gas is being produced from the i	eased premises in paying quant	itles. Each such payment shaft be paid or tendered
to the party or parties who at the time of such payment would be entitled to receive the royalties which y		
tender of royalties and shut in royalties may be made by check or draft. Any timely payment or tender of s	hut 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 or amounts, shall nevortheless be sufficient to prevent to	ermination of this lease in the s	ame manner as though a proper payment had been
made if lesses shall correct such error within 30 days after lessee has received written notice thereof by cer	titled mail from the party or part	les entitled to receive payment together with such
written instruments for certified copies thereof) as are necessary to enable lessee to make proper payment, established by the gas sales contract entered into in good faith by lessee and gas purchaser for such term a	the amount realized from the s	are or gas on or off the premises shall be the price
het amount received by lesses after giving effect to applicable regulatory orders and after application of an	no under such conditions as are	customary in the industry "Price" shall mean the
the event lesses compresses treats, purifies, or dehydrates such gas (whether on or off the leased pre-	missel or transports one off	to leased comises tesses to computed totally
hereunder may deduct from such brice a reasonable charge for each of such functions performed	minaga) or transports das ou r	ne leased brancises, leasing the computing toyany

- 4. This is a paid-up lease and lessee small not be obligated during the primary term hereof to commence or continue any operations of whatsoever character or to make any payments hereunder in order to maintain this lease in force during the primary term; however, this provision is not intended to relieve lessee of the obligation to pay royalities on actual production pursuant to the provisions or Paragraph 3 hereof.
- suant to the provisions or Paragraph 3 hereof.

  5. Lesses 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, leases, mineral estates of 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 Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico or by any other fawful authority for the pool or area in which said land is situated, plus a tolerance of ten percent. Leases shall fill 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. Orilling operations 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. Orilling operations unit designations in the county in which the considered for all purposes, except the payment of registrations of the total production from the land covered by this tesse included in any such unit that portion of the total production of cooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the net oil or gas accessed in the land covered by this feet included in the unit bears to the total number of surface acres in the unit. The production as allocated shall be considered for all purposes, including the payment or delivery of royally, to be the entire production of policy or minerals from the product of an interest from the product of an i
- lease by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hote or the cessation of production on said unit.

  8. If at the expiration of the primary term theirs no well upon said tand capable of producing oil or gas, but leasee has commenced operations for drilling or reworking threen, this lease shall remain in force so long as operations are prosecuted with no cessation of more than 80 consecutive days, whether sit: his perations be on the same well of one different or additional entry that is the production of oil or gas, so long therefore as oil or gas is produced from said land. If, after the expiration of the primary term, all wells upon said land should become incapable of producing for any cause, this issue shall not terminate it issues commences operations for 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. Cessee shall have free use of on, gas and water from said tand, except water from tessor'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 casing. When required by lessee, lessee will bury all pipe lines on criticated tands abload officiary plots, and no wall shall be unined withing to remove any organized set of the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

  8. The rights of either party hereunder may be assigned to when the principal dwelling the fourty provides and instances and assigned to the principal dwelling the road of any surplus gas not needed for operations hereunder.
- Ights 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 their helps, executors, administrators, successors and assigns; but no change in the ownership of the land or in the ownership of, or rights to receive, royalties or shut-in royalties, nowever accomplished shall operate to entarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee to ray purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified object thereof constituting the chain of title from the original lessor. If any such change in exwership occurs through the desth of the owners, the seed may at 11st option, pay or tonder any royalties or shuth in part of the deceased or to his settle or to his helps, executor or administrator until such times alessee has been furnished with evidence satisfactory to lessee or assignes that of such the payment of the proportionate part of royalty or entire the payment of the proportionate part of royalty or entire the payment of the proportionate part of royalty or make adaptive that is assigned that of shall property comply or make such payments.

  9. Should lessee 1 prevented from complying with any express or implied coverant of this lesse, or from conducting drilling or reworking operations hereunder or from producing oil or gas hereunder by reliance that of shall property comply or make such payments.

  9. Should lessee 1 prevented shall property comply or make such payments.

  9. Should lessee 1 prevented by any such cause from conducting drilling or reworking operations or from conducting drilling or reworking operatio

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

Executed the day and year first above written	ry Talle
1 1 1 1 1	
	getty truttag
management of the contract of	

# OIL & GAS LEASE

stand a settlement to recorption.  **Not A complete first with the process of the settlement of the completes where proceeds and of the segment of the settlement of the completes where proceeds and of the segment of the settlement of the completes where an observation of the completes where an obs	Paniel 1. Cut man, Successor Trustee under		ax ducina, deceased,
S. I. CORPUCE  The company of the second of	239 East 79th Street, New York, New York	0021	
States a consequence of a first and of the process			(Post Office Address)
The content of the company of the co	in called tessor (whether one or more) and E. II. Goreno	e	lessee
terri a sprimotis do complete. 100  Acces, whether it shally completes more or loss.  Acces to the other prohibitor between continued, this teads and remain in force for a farmed. 100 C. y COT. 100 this gaing states "primary terri "laded as me there are or an its produces" to the shall with a vicinity of the product of	Lossor, in consideration of ITN AND OTHER DOLLARS in hand paid, receipt of which is here acknown contained, hereby grants, leases and tota exclusively unto leases for the purpose of investigating, egas, waters, other fluids, and all into subsurface strats, laying pipe lines, storing oil, building tanks, rol	exploring prospecting, drill adways, telephone lines, an	ing, and operating for and producing oil and gas; injec d other atructures and things thereon to produce, save
Level is estimated to complete.  The complete control of the complete control	care of, treat, process, store and transport said minerals, the following described land in	1.03	County, New Mexico, to wit
Level is estimated to complete.  The complete control of the complete control	With authoration a remarkle 20	0 0855 000	
The composition of the composition and the control of the control	Raya Saya Section 3, Comments 50	2) name Mr	
The composition of the composition and the control of the control			$\Phi = \{ (a,b) \mid a \in A \mid a \in A \}$
The composition of the composition and the control of the control			
The composition of the composition and the control of the control			
The composition of the composition and the control of the control			
residence and one giss its produced from said band in from upda with which vald land is pooled.  Of the produced and saved tions good to see the produced and good to see the produced good to see t	d land is estimated to comprise 40 acres, whether it actually comprises more or	kas.	
non-yallow to be paint by issues and explored by any other highest hydroceaboos as ved all the well.  1. If you declared at the well on the control to the second to the control to the second to the control to the period of the second to the control to the second to th	Subject to the other provisions herein contained, this lease shall remain in force for a term of		from this date (called "primary term") and as
of the pays sudice or of the permission could in the minimistics are equations on the products. The made is stated in all the permission could be applied to the products and the permission of the pays sudice. The permission of t	The royalities to be paid by lessee are: (a) on olf, and other liquid hydrocarbons saved at the well.		of that produced and saved from said land,
related by mind growtolons bench and states is a gast and accomplessable with the activities of the control of	والمراجع المنافع	-	1/1
earlier belong out feet production therefore, then do not belon 80 days after add with a shall in a part of the state of the production therefore in the state of	of that on gas and on or off the premises, the resulting shall be	of the amount realize	d from such sale; (c) and at any time when this lease is
all terminate and it shall be considered under all chances based from a part is belong powered from the leaked powers in paying quantities. Each based payment shall be earlied or from a did in paying and any formula by the control of all any times by payment to leaked a final but in paying with the part in the paying and the payment in the control of a final shall be part of the payment by the control of the payment of the payment in the	n, either before or after production therefrom, then on or before 90 days after said well is shut in, and i	lhereafter at annual interval	s, lessee may pay or tender an advance shut in royalty
part or projeties who at the time of such happred is would be entitled to recall the regalities which would be part under the days of the wall and in fact protecting. The payment of a common to include the part of the part	to \$1.00 per net acre of tossor's gas acreage then held under this lease by the party making such pay	ment or tender, and so long	g as said shut in royalty is paid or tendored, this lease
of inguistics and much to equalistic may be made by theck or doubt. Any principle paragraph of the desired company is a consistent of the control of the con	party or parties who at the time of such payment would be entitled to receive the royalties which w	ould be paid under this lea	ise if the well were in fact producing. The payment or
If issues table covert such einer, which 20 days a liter to beauty control to entitled on receiving purposes. The substitute of the property of the property of purposes and the property of t	r of royalties and shut in royalties may be made by check or draft. Any timely payment or tender of s	hut in royalty which is made	e in a bona fide attempt to make proper payment, but
instruments for certified copect thereof) as is an executary enterin fully good lath by six was adapt so profit the position of the profit of the position of			
the by the gas, see security relevant into a good faith of resiste and again purchased for such form and under such conditions as one such as a security of the such as a secu	it tessee shall correct such ellor within 30 days after 1955ee has received written notice thereof by Cer In Instruments for certified cooks thereof) as are nocessary to shable lessee to make proper having of	The amount realized from t	parties entitled to receive payment together with such
coult refail, by bessee after joining effect to pipilic pible regulatory orders and after application of any applicable pipel and the computing of your may defect from the country of the common of the country of the			
der may defact from such pick a reasonable charge for each of such functions performed to a paid pair or an off serve within the buildigation to pay regarding of what some charge for the makes and production purely to the provisions of pays and the provision of the provisions of Paragosh 3 harrod.  In the provisions of Paragosh 3 harrod cover from time to the man begin to consider the standard production of the provisions of Paragosh 3 harrod.  In the provisions of Paragosh 3 harrod cover from time to the man begin to cover the standard provision with the provision of the provi			
risk is a paid up to color and is seek without the obligated during the primary term hereof to commente or continue any operations of what seeker character or to make any syments does not need to include the manual has been seen for the obligation to provide provide the new or the providence of the providence of the providence of the obligation to providence of the providence of the obligation to providence of the providen	ant tossee compresses, treats, purifies, or dehydrates such as (whether on or off the feased pre		
dot in order to namista, this is year, force during the primary ferm, however, this provision is not intended to relieve bisses of the obligation to pay royalities on actual production purious provisions of the production of the	ider may deduct from such price a reasonable charge for each of such functions performed.		
dot in order to manista, this is year, force during the primary ferm however, this provision is not intended to relieve lesses of the obligation to pay royalities on schuld production give.  On provisions of Paragraph 7 here of the production of the provision of the provision of the production of th	his is a paid-up to see and lessee shall not be obligated during the primary term hereof to commend	e or continue any operatio	ns of whatsoever character or to make any payments
of the provisions or Paragraph 3 hereod.  In the provisions or Paragraph 3 hereod.  In the provision of Paragraph 3 hereod.  In the provision of production of the provision of production of provision of the pro	ider in order to maintain this te use in force during the primary term; however, this provision is not inte		
essee is precly printed the right and power from time to time. It special conditions this lease the land concept by It or any part of the Chornes with any other land, lease, mineral or part the time of the product for old or gas. White special dependent shall be desired the standard prostation with fleed by the or by the Old Consensition District of the Time of the Chornes of the product of the product of the Chornes of th	o the provisions or Paragraph 3 hereof.		
to grants thereof for the production of oil or gas. Units possed interested in the standard provision will find by the product of any product of the standard provision will be studied to the product of the standard provision of the standard provision of the standard production from the standard production	and the contract of the contra	d covered by It or any part	or horizon thereo; with any other land, leases, mineral
In Signature 1 of the Six doe If it we Reside of the year other (available abstrainty for the poet of area in which a salt and is situated, plus a foliasance of the parcent. Leases what is a property of the poet of the parcent of t	s or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standar	d proration unit fixed by law	vor by the Oli Conservation Division of the Energy and
signations in the counts, in which the premises as located and socialisms may be designated from time to time and either before or after the completion of wells. Drilling operations or occident internal graph of any such must shall be considered for all prospections or conditions are considered by the latest controlled the control of	is Department of the State of flew Mexico or by any other fawful authority for the poct or area in whi	ch said land is situated, plu	is a folerance of ten percent. Lessee shall life written
coluction from any part of any such unit shall be considered for all purposes, except the payment of froyalty, as operations conducted upon or poduction from the faind described in the traver shall be asked to the shall are deviced by the second of the shall be added to the shall be ad	signations in the county in which the premises are located and suctranits may be designated from t	ima to time and either bolo	re or after the completion of wells. Drilling operations
intess or unificiple attents, which the net oil or gas acreage in the inand covered by this lease included in the unification of the total number of surface acrea in the unif. The production of which yet on the entire production of policial princips on the policial and accessed the relay and the entire production of policial princips. In the policial and accessed the relay and the entire production of policial princips. The entire of the time of	roduction from any part of any such rinit shall be considered for all purposes, except the payment o	royalty, as operations con	ducted upon or production from the land described in
and shall be considered for all purposes, including the payment of dehivery of repairs, to be the earlier production of poolius relatives the forms with search with search way coded unit designated by its sea, as provided where, may be dissibled by all the well-before the search with the search way coded unit designated by its sea, as a provided where the search was the search with the production of the payment of the paym			
in sald unit in the assessment at though produced from sald land under the terms of this leash. Any popole on its designated by leashes, as provided heelds, may be dissolved by a present production of the principle of the castalone of production or sald unit at the exploit on the principle of the castalone of production or sald unit at the exploit on the principle of the castalone of production or sald unit at the exploit of the principle of the castalone of th	rices of unit operations, which the net off or got accessed in the land covered by this lease included to add the considerability at the second constitution the second constitution to	n the unit Beats to the total	invition the cotton of said land co-ered backly seed to
by secreting an a proposite instrument in the Chemis where the land is situated at any time after the Competion of a dig hole of the cassation of production of said until all the equicknost in both sits the situation of the production of the prod	In said unit in the same income as though produced from sa'U land under the terms of this lesson	Any pooled unit designate	d by lessee, as provided herein, may be dissolved by
main in facer, so long as operations are prococled with no cessation of mose than 80 consecutive days, whether expiration of the primary form, and wells upon a site to device and the expiration of the primary form, and wells upon a site facet, and if they received to not one of the primary form, and wells upon a site facet.  2.450 long different control of the primary form and the primary form, and an advertise the primary form. As a site of the primary form, and a site of the primary form and the primary fo			
mism in faces of long as operations, are prespected with no destalloned more than 60 consecutive days, whether suits operations of the opinity years, all which supports and suits and it only mism than the opinity years, all which years had lead with a suit of the control of t			
tecome inclusion of modulute for any cause, this lease shall not terminate it lesses commones operations for each operations hereined result in production, then this lease shall mere and in full force so long thereafter as off or gas is produced hereunder. Since shall have feel used a follogs and water from sald land, except water from leaseds wells and tanks, for all operations hereunder, and the organize whether computed the development of the production o	main in force so long as operations are provocated with no cessation of more than 60 consecutive i	days, whether such operation	ons be on the same well or on a different or additional
additional drifting, or re-moving operations hereunder result in production, then this lease shall remain in full force so long thereafter as off or \$3.15 produced hereunder sesses shall have been supported by the sesses shall have the early of the compared after the compared af			
asses shall have tree us of oil, gas and wide from said land, except water from teasor's wells and tanks, four all coverage of the common of the control of			
An accordance of the second se			The control of the co
addenove all caving Wit en required by tessor, is seen will bury all pipe timas on cultivated lands below ordinary plox depth, and no well shall be diffied within two hundred feel (2001) in the control of the property of t	y to used \$.05500 shall have the right at any time during or after the expiration of this lease to remo	eve all property and fixture	s placed by lessee on said land, including the right to
in the principal of -elling liberson, out of any surplus gas not needed for operations herewinds.  It explains of which prairy to assure ring to assigned in whole or in past and the provisions hereof shall datend to their heirs, securiors, administrators, successors and assigns, but no in the ownership of the land or in the ownership of the land of of th	id romave all casting. When required by tessor, tashes will bury all placethas on cultivated lands below	v ordinary plow depth, and i	no well shall be drilled within two hundred feet (200 ft )
is elights of either party to reacher may be assigned in whole of input and the provisions hereof shall detend to flot fairs, executors, administrators, successors and sastigns in the execution in the execution of the leaves of the leaves of the provisions of the death of the leaves of the provisions of the leaves of the provisions of the leaves of the leaves of the provisions of the leaves of the provisions of the leaves of the l		sk and expense, of using ga	se from any gas well on said land for stoves and inside
In the connecting of the land or in the connecting of, or tights to receive, royalles or shirt in royalles, however accomplished shall objected to discuss the shall be brinding upon lesses for any purpose until 30 days after lesses has been funding the death of the street in a constituting the chain of this from the original lessor. If any such change in experiments or certified royals shored constituting the chain of this from the original lessor. If any such change in experiments or constituting the chain of this from the original lessor. If any such change in experiments in the present shall be present and discharge lesses of any obligations there experiments are shall be presented and of the present shall be presented and of the present shall be presented and of the presented and of the presented and of the present shall properly comply or male a such payments.  If did in a present shall properly comply or male a such payments in the presented of the presented from the presented shall properly comply or male a such payments.  If did in a present shall properly comply or male a such payments in the presented shall properly comply or male a such payments in the presented shall properly comply or male a such payments.  If did in a properly comply or male a such payments in the present shall properly comply or male a such payments in the present shall properly comply or male a such payments.  If did in a properly comply or male a such payments in the present shall properly comply the present shall properly comply the present shall properly comply or male such payments.  If did in a properly comply or male such payments in the properly of the present shall properly comply the present shall properly comply or male such payments.  If the properly comply or male such payments in the properly of the present shall properly comply the properly of the properly o		Instant to High boles and	tore administrators aurosaans and accions a deat
of lastice and no such change or this lost on shall be brinding upon lesses for any purpose until 30 days after lesses has been furnished by certified mail at lesses's principal place of say which change in extensible occurs through the death of the lesses may, at its option, pay or tender any royalities or shut in royalities in the name of the deceased or to his estate on this heirs, executor administration until such time as lesses in furnished with reviewed and protection and the proportion of the deceased or to his persons to the persons antitled to such sums. An assignment of this lesses of in part shaft, to the extent of such assignment of the proportionate part of royalty or any and the proportionate part of royalty or any assignment been death of the proportionate part of royalty or any assignment been death of the proportionate part of royalty or any assignment been death of the proportionate part of royalty or any assignment been death or complying with any express or implied consensually assigned been according to the complete or many assignment been death or the proportionate part of the proportionate part	of the ownership of the land of in the ownership of, or rights to receive, royalties or shut in royalties	s, however accommished s	hali operate to onlarge the obligations or diminish the
lesses may, at its option, pay or tender any royalities or shut in royalities in the name of the deceased or to his estate or to his halfs, executor or administrator until such time as lesses in funds that the cylicore as statisticatory to lesses as to the persons annitide to such sums. An assignment of this lasse in whole or in part shall, to the estate of such assignment, and discharge lesses of any obligations hereunder and, if lesses or assignment of any obligations hereunder and, if lesses or assignment of the proportional part of royalty or any in did from the proportional part of royalty or any in did from the proportional part of the part of th	of teasce, and no such change or illusion shall be binding upon lesses for any purpose until 30 day	s after lessoo has been fur	nished by certified mall at lessed's principal place of
an funished with evidence suitsfactory to lessee as to the persons shilled to such sums. An assignneint of this lease in whote or in, pair shall, to the extent of such assignment, and discharge lessee of any could grate the extended and, it lessee or assignee or fall to comply with any of the provisions of this lease, such default shall not affect this lease inactar as it covers a part of said lands upon which or any assignment intend shall properly comply or made a such payments.  round lessee be prevented from complying with any express or implied coverant of this lease, or from conducting drilling or reworking operations hereunder, or from producting oil or eurods by reason of startity or inability to challe or equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of entire states of the provision of startity or inability to chall or or regulation of entire states by prevented by any such cause i form conducting drilling or reaching operations or from particular in the state of the contrary notwithstanding or any such cause from conducting drilling or exercising a hereunder, and the line while lessees is not prevented by any such cause i form conducting drilling or exercising any interest and the line while lessees is not prevented and in the contrary notwithstanding or any operations or from particular in the line while lessees is not to exceed a particular and the such regulation of the provision of the pro	as with acceptable instruments or certified copies thereof constituting the chain of title from the o	riginal lossor. If any such i	thange in experahip occurs through the death of the
and discharge lesses of any obligations hereunder and, il lesses or assignee of part or parts hereof shall fail or make dysfault in the payment of the proportionate part of royelly or anulty did from such lossee or assignee or fail to comply in the yor through of the propositions of the proposition of the propositio	revises may, at its opinion, pay or tenuer any royantes or snut in royantes in the name of the deceased In furnished with puldence satisfactory to lessee as to the nersons entitled to each sums. As each	on compessate of to his hel	rs, executor of sommistrator until such time as lesses ble of in, part shalf to the extent of such assingment.
ity die from sinch lessee or assignee or fail to comply with any of the provisions of this tease, such default shall not affect this tease inactives it includes the complying with any express or implied coverant of this tease, or from conducting different provisions of particly or hability to de other or requisition of entire that one or provision of startity or hability to othatin or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or requisition of entire that the state of the state of the state of the state of entire that the state of the contrary notwithstanding counted against lesses, anything in this lesse to the contrary notwithstanding counted against lesses, anything in this lesse to the contrary notwithstanding soon beetly variants and against state of the state of the contrary notwithstanding as the state of the state of the state of the contrary notwithstanding as the state of the state of the state of the contrary notwithstanding as the state of the state of the state of the contrary notwithstanding as the state of the	and discharge lesses of any obligations hereunder and, if lesses or assignes of part or parts hereof si	rall fall or make default in th	a payment of the proportionate part of royalty or anut-
round lessee be prevaited from complying with any express or implied covonant of this lease, or from conducting diffulg or revoking operations hereunder, or from producting oil or eurorist by casion of scattering or hability to chability to be equipment or material, or by operation of force majeure, or by any Federal or state is or any order, rule or regulation of entimental authority, then white so prevented, lessee's duty shall be suspended, and lossee shall not be flable for failure to comply therevity, and this lesses shall be extended while long as lessees is prevented by any such cause from conducting drilling or reworking operations or from producing nil or gas hereunder; and the time while lessees is so prevented shall counted against lessee, anything in this lesse to the contrary notwithstanding counted against lessee, anything in this lesse to the contrary notwithstanding sport hereby warrants and agrees to defend the title to said land and agrees that lessee at its option may discribing any lar, mortgage or other flee upon said land, and in the event does not is shall be subrigated to such flow with the rith warrant. It fills also accords a fleet in this lesse covers a less intensions in their of or ask in all or apply royalities and shuffer royalities payable hereunder toward satisfying same. Without line paymonts, it any, socreting the major and the articles of the lasse covers a less intensions in their of or ask in all or against a large state (whether lessors) interest to prevail the or the regular and understant the properties of the less of their intensions. Any covers a less intensions in their or ask in the paymonts, it any, socreting the intension in the lasses of the lasses of their covers and ask in the paymonts, it any, covered by this lesse, loss to the whole and underlied the simple state (whether in Should any one or more of the parties named above as less and the results of the lesses, the last of the lesses, the last of the	ly due from such lessee or assignee or fall to comply with any of the provisions of this lease, such do	fault shall not affect this lea	node which black to trace services as a cantacent acc
eurode by reason of scarcity or inability to chilain or use equipment or material, or by operation of force majeure, or by any Federal or state taw or any order, rule or regulation of entinental authority, then whith an diths lease shall be extended while one as lease each of the control of			Million Committee Committee Committee
enthiental authority, then while so prevented, lessee's duty shall be suspended, and lossee shall not be liable for failure to comply therewith; and this lease is allowed to grave the conducting drifting or envolving operations or tromp producing nill or gas herewide; and the time while lesses is to the contrary notations and agrees to defend the title (be said and and agrees that lessee) as a grave and agrees to defend the title (be said and and agrees that lessee) as a grave the provided the suite of the right to enforce same and to apply royaltics and shut-in royalties engable hereunder toward satisfying same. Without Impairment of a stights under the warr at it, if this base overs a less interest in the oil or cash and to apply royaltics and shut-in royalties engable hereunder toward satisfying same. Without Impairment of a stights under the warr at it, if this lesses overs a less interests in the oil or cash part of the parties are controlled to the controlled t	rould leases be prevented from complying with any express or implied covenant of this lease, or from	n conducting drilling or rea	orking operations hereurider, or from producing oil or
long as lessee is prevented by any such cause Irom conducting drilling or revorking operations or from producing nill or gas hereunder; and the time while lessees at a contract against lessee, anything in this lesse to its own contract against lessees at the operation of the contract and agrees to defend the title to said tand and agrees that lessee at its option may discretize any entrace of a statistic production with the right localities agreed the while the contract and agrees to defend the title to said tand and agrees that lessee at its a production and the contract and undivided the simple estate whether lesson's interest in the other contracts the contract the contract of the contract and undivided the simple estate of the contract and undivided the simple estate of the contract and undivided the simple estate the entract and undivided the simple estate is the contract the contract and undivided the simple estate the entract and undivided the simple estate the entract and undivided the simple estate the entract and undivided the simple estate therein. It any, covered by this lesse, bears to the whole and undivided less simple estate therein. Should any one or more of the parties named above as lessons because it shall nevertheless be no binding upon the party or parties executing the same. Should any one or more of the parties named above as lessons to the whole and undivided less simple estate therein. Should any one or more of the parties named above as lessons to the whole and undivided less simple estate therein. Should any one or more of the parties named above as lessons to the whole and undivided less simple estate therein. Should any one or more of the parties named above as lessons because therein, it any, covered by this lesse, bears to be added the same the estate therein. Should never the estate the estate therein in the contract therein, it any covered by the parties and the estate therein. Should never the estate	recorder by region or at areny or maintry to ontain or use equipment of material, or by operation of entriental authority, then white so prevented, tessee's duty shall be suspended, and tessee what we	riorce majeure, or by any F it be liable for failure to cor	receral or state law of any older, fulls of regulation of noly therewith; and this lease shall be extended while
counted against lessee, anything in this lesse to the contain modulary notwithstanding was not except your arises and agrees to defend the title to said tand and agrees that lessee at its option may directarge any tax, morrgage or other lien upon said fand, and in the event does not shall be subrogated to such lien with the right to enforce same and to apply regulated and shuffin regulated and additional less inferests in the follorigas in a fair cave part of said fand than the entities and undivided less simple and entitled the warrants. If this base covers a test intended in recycling, and other psymonis, it any, accoung from any part as to which this lesse covers as than such full interest, shall be paid only in the long and the covered by this lesse, bears to the whole and undivided less imple estate therein. Should any one or more of the parties named above as testors veculo this lesse it shall nevertheless to binding upon the party or parties executing the sample estate therein. Should any one or more of the parties named above as testors as each title of the country in which are the responsible of the responsible of the parties of the responsible of the parties of the parties of the responsible of the parties of the responsible of the responsible of the parties of the responsible of the responsible of the parties of the responsible o	long as lessee is prevented by any such cause from conducting driffing or reworking operations or fro	om producing oil or gas here	lishe betrevers os si essee is sin the time while lesses is so prevented shall
dies so it shall be authorgated to such tien with the right to enforce same and to apply soyalties and sub-thir oxyalties payable hereunder toward satisfying same. Without Impairment of a rights under the wards it. If this base covers a less intenses in the oil or gas in all or acy part of said faint than the entire and undicided the simple estate (whether the sub-thir oxyalties shut in royalty, and other prymouts, it any, accruing from any part as to which this lease covers less than such full intenset, shall be partied and an intenset the same in the 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 excuted this lease, it shall nevertheress be bloding upon the party or parties executing the same.  See, its or his successors, helds and assigns, shall have the right at any time to suirection this lease, in whole or in part, to lease; or his heirs, successors, and assigns by delivering a stellar threat to the leases, or by placing reclease thereof of record in the county in which adit and its altituded, thereupon leases ahall be releved of room and obligations, expressibility of this agreement as to acreage so surrendered, and therefore the shut in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced to the proportion that the screage covered hereby is reduced to the proportion that the screage covered hereby is reduced to the proportion that the screage covered hereby is reduced to the proportion that the screage covered hereby is reduced to the proportion that the screage covered hereby is reduced to the proportion that the screage covered hereby is reduced to the proportion.	counted against lessee, anything in this lesse to the contrary notwithstanding	a de la casa de la defenda	The State of the S
a right a under the warrants, if this lease covers a less interest in the oil or gas in all or any part of said faind than the entire and undivided fee simple estate (which has lease covers less has make that in the oil in which in the country and only in the holderest therein. It any, covered by this lease, that's to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors exclude this lease, it has the country in the country in which said is a successors. Helis and assigns, shall be reflected to the lessor, or by placing shell all are the right at any time to surrender this lease, in whole or in gart, to leaser or his heirs, successors, and assigns by dolivering ng a televiso thereof to the leasor, or by placing shell ested to record in the country in which said and is altuated; thereupon lease shall be relieved from all obligations, expressipled, of this agreement as to acreage so surrendered, and therafter the shut in coyalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reducted the day and year first above written.	assor hereby warrants and agrees to defend the title to said land and agrees that lessee at its option	may diretiarge any tax, m	ortgage or other lien upon said land, and in the event
enterties or mit then the recallings, that in requiring, and other physionis, if any, according the hole and undirided fee simple estate therein. Should any one or more of the parties named above as lessors in which has been estate therein. Should any one or more of the parties named above as lessors in shall nevertheless be binding upon the party or parties executing the same is see, its or his successors, helrs and assigns, shall have the right at any time to executing the same is see, its or his successors, helrs and assigns, shall have the right at any time to exercise the lessor, or by placing a release their of the lessor, or by placing a release their of the lessor, or by placing a release the reduced in which said land is situated; thereupon lesses shall be releved from all obligations, expressipled, of this agreement as to acreage so surrendered, and therefore the shut in regardly payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced releases.	oces so it shall be subregated to such lien with the right to enforce same and to apply royalties and st	nut in royalties payable here	ounder toward satisfying same. Without impairment of
ion which the Interest Rivertein, it any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one of more of the parties named above as lessons recording the same recording the same issue, it is or his successors, heirs and assigns, shall have the right at any time to surrender this lease. In whole or in part, to teaser of his heirs, successors, and assigns by dolivering no a release thereof to the leasor, or by placing a release thereof of record in the county in which said land is situated; thereupon leases shall be releved from all obligations, expressipled, of this agreement as to acreage so surrendered, and therafter the shut in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reducated release or releases.	a cryona unique rue: warra reg. ir ima reaba covers a rasa imaras; in 100 on or gas in all or any part of salo Specified of cost then the revalles, shou in revails, and other natiments of any according took and said	as to which this lesse core	in the sample of the teal and the sum of the same of the seal and the same of the seal and the same of the seal and the same of the same o
sissee, its of his successors, held and assigns, shall have the right at any time to surptice tases, in whole or in part, to teasor or his helds, successors, and assigns by dolivering in surptices of the leasor, or by placing a release thereof to the leasor, or by placing a release thereof to the leasor, or by placing a release thereof to the leasor, or by placing a release the reduced in the county in which said land is alturated thereupon leases shall be relieved from all obligations, expressing the same as to acreage so surrendered, and therefore the shut in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced releases.  In the day and year first above written.	ion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee sim	ple estate therein. Should a	erozzal za evoda beman celtrag ent to erom to eno yn
ng a refer so thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lesses shall be relieved from all obligations, expressingled, of this agreement as to acreage so surrendered, and therafter the shut in royally payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that the acreage covered hereby is reduced in the proportion that t	e-eculo this lease it shall nevertheless be binding upon the party or parties executing the same		
iplied, of this agraement as to acreage so surrendered, and therafter the shut in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced releases.	see, its or his successors, helis and assigns, shall have the right at any time to surrender this least	In whole or in part, to less	er of his heirs, successors, and assigns by dolivering
isted the day and year first above written	my a revense impress to the ressor, or by pracing a release therest of record in the county in which said	riano is situated; thereupor	riessee shall be relieved from all obligations, express-
Daniel L Juhan Su	sig telegae of telegases	errane amen me reduced tit für	a brokattant traction parapha antheoritant statements as tender.
David L Duhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su			
Daniel L Juhan Su		· . \	
Paul of L. Jutimin, Successor Tructed	cited the day and year first above written	7 i - 1 - 1 - 1 - 1 - 1 - 1	H + T
Paulel L. Gutirin, Successor Tructed	ranga kang atau kacamatan dan kang atau kacamatan kang kang kang kang kang kang kang ka	$M_{\rm cons} = M_{\rm cons} = M_{\rm cons}$	and historian in the
in the factor of	en e	11 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	in Citizen
	THE STATE OF THE S	ពលក្រ 🕩 កាស់ស	m, buccessor Tructed
tree and the first time the man and the first time and time and the first time and ti		don the all i	of Max Gutman, deceased

		OIL &	GAS LEAS		
THIS AGREEMENT madaths 21st	day of	September		19.81 telween	
Daniel L. Gi	utman, dea	aling in his	sole and s	cparate prope	rty,
239 Past 791	in Treet,	Hew York, II			
Annual Control of the		E. M. Gore		of	(Post Office Address)
herein contained, hereby grants, teases and	offier pollars diels exclusively u	in hand paid, receipt of wh nto lessee for the purpose	alch is here acknowle of Investigating, exp	toring, prospecting, driffing	iessee, iessee
ting gas, waters, other rulids, and air into si take care of, treat, procoss, store and transp				I ea	ther structures and things thereon to produce, save  County, New Maxico, to-will
	N9/11 51/	14 Section 3.	Township	205, Pange 371	<b>R</b>
		<b>S</b> \$			
		4.1 Let			
•				en e	33 · · · · · · · · · · · · · · · · · ·
Said fand is estimated to comprise	110	cres, whether it actually co	omprises more or les	( <b>5.</b>	
2. Subject to the other provisions herein cong theirster as oil or gas is produced fro	contained, this leas om said land or fro	e shall remain to force for a	s term of	one year 1/4	from this date (called * primary term*) and as
A The co-alties to be early by less as are to	at on oil and other i	fould hydrocartions saved	at the well		of that produced and paved from said land
from said land and used off the premises or	used in the manufa	numbero entices of course	products, the market i	alus at the well of	1/4 of the gas used
provided that on gas sold on or aff the premi not validated by other provisions trereof and	there is a gas and	for condeniate well on saf	r land, or land pooled	therewith, but gas or cond	from such seta; (c) and at any time when this lease is ensate is not being so sold or used and such well is
equal to \$1.00 per not acre of lesser's gas a	isreage then held u	nder this lease by the part	y making such payme	int or tender, and so long a	lesses may pay or tender an advance shut in royally is said shut in royally is paid or lendered, this lesse Milles, Each such payment shall be paid or tendered
lo the party or parties, who at the time of su lender of regardes and shut in regardes ma	uch payment would ly to made by check	I be entitled to receive the k or draft. Any timely payn	royalties which wou nent or lander of shu	ld be paid under this lease I in royally which is made in	i if the well were in fact producing. The payment or n a bona fide attempt to make proper payment, but
which is propinous in whole of in part as to p made if lessen shall correct such brook with	parties or amounts, in 30 days after less	shall revertheless be suff see has recoived written no	icient to prevent term tice thereof by certifi	ination of this lease in the ed mail from the party or pa	same manner as though a proper payment had been itles entitled to receive payment together with such
stablished by the gas sales contract entere	d into in good laith	by lessee and gas purchar	ser for such term and	under such conditions as a	Sale of gas on or off the premises shall be the price re customary in the industry. "Price" shall mean the
he event lessee compresses, treats, puriti	ies, or dehydrates	such gas (whether on or	off the leased promi	pplicable price adjustment ises) or transports gas off	s specified in such contract or regulatory orders. In the leased premises, lesses in computing royalty
pereunder hisy deduct from such pilica a re	easonable charge fo	or each of such functions	performed.		of whatsoever character or to make any payments
erounder in order to maintain this lease in i want to the provisions or Faragraph 3 here	force duting the pri	knary term; however, this p	provision is not intend	led to relieve lesses of the	obligation to pay royaltles on actual production pur-
5. Lessen is hereby granted the right and	power, from time t				horizon thereof with any other land, leases, mineral or by the Oil Conservation Division of the Energy and
Ainsials Department of the State of New Hi	exico or by any oth	er lawful authority for the	pool or area in which	said land is situated, plus	a tolerance of ten percent, Lesses shall the Artitlen or after the completion of walls. Orilling operations
n or production from any part of any such i	unit shaft be consk	dered for all purposes, exc	ept the payment of ro	yally, as operations condu	cted upon or production from the land described in I minerals from wells in the unit, after deducting any
ised in lease or unit operations, which the h	let oll or gas acreag	e in the land covered by th	ils lease included in t	ne unit bears to the total nu	mber of surface acres in the unit. The production so from the portion of said land covered hereby atid in
luded in said unit in the saind the moras i	though produced f	forn sald land under the to	erms of this lease. A	ry pooled unit designated i	by lessee, as provided herein, may be dissolved by or the dessation of production on said unit
6. If at the expiration of the primary terms	the ais no well upo	on said land car able of pro-	ducing oil or gas, but	lessee has commenced or	erations for drilling or reworking thereon, this lease s be on the same well or on a different or additional
rell or wells, and if they result in the produc	ction of oil or gas.	so long therafter as on or	gas is produced from	said land 11. after the 62p	itation of the primary form, all walls upon said landing or for reworking within 60 days it greater. If any
illling, additional drilling, of reworking on	retinuer, in another	result in production, then	this lease shall rem	ain in full force so long the	ereafter as oil or gas is produced hereunder. Ider, and the royalty shall be computed after deduc-
ing any so used Lesser shall have the righ	nt at any time durin	g or after the explication of	this lease to remove	all property and fixtures p	placed by leasee on said land, including the right to well shall be drilled within two hundrest leet (200 ft)
I any iosidence or bain now on sold land wights in the principal dealing thereon, out	illhout lossor's con	sont. Lessor shall have the	e privilege, at his risk	and expense, of using gas	from any gas well on said land for sloves and inside
8. The rights of either party bereinder ma	ly be assigned in A	hole or in part and the pro-	islons hereof shall e.		ors, administrators, successors and assigns, but no
ights of lessee, and no such change or divi	islan shall be bind	ing upon lessed for any pi	irposo until 30 days.	after lossed has been furni	If operate to enlarge the obligations or diminish the shed by Certified mall at idasee's principal place of ange in ownership occurs through the death of the
wher, lessee may, at its option, pay or level	er any royalties or s	shut in royalties in the nam	e of the deceased or	to his estate or to his heirs.	executor or administrator until such time as lesses or in part shall, to the extent of such assignment.
ellere and discharge lessee of any obligatio	ons hereunder and,	if lessee or assignee of par	it or parts hereof snat	I fall or make default in the	payment of the proportionate part of royalty or shul- a insofar as it covers a part of said lands upon which
assea or any assigned therof shall properly	r comply or make :	such payments.		* v (C)	rking operations hereunder, or from producing oll or
as hereunder by reason of scarcity or Insti	bility to obtain or u	se equipment or material,	or by operation of fo	ice maleure, or by any Fed	deral or state law or any order, rule or regulation of the threewith; and this lease shall be extended while
	ich cause from con-	ducting drilling or reworkly			nder; and the time while lesses is so prevented shall
10. Lossor hereby warrants and agrees to	defend the title to	said land and agrees that	lessee at its option in	nay discharge any tax, mor	Igage or other lien upon sald land, and in the event noor loward satisfying seme. Without impairment of
asseo's rights under the warranty, if this lea	iso covers a less I il	tales in the oil or gas in at	for any part of said la	nd than the entire and undi	vided fee simple estate (whether essor's interest is fess than such full interest, shall be paid only in the
roportion which the interest therein, if any, all to execute this lease, it shall neverthele	covered by this lea	ise, bears to the whole and	undivided fee simple	estate therein. Should any	y one or more of the parties named above as lessors
11. Lessee, its or his successors, helrs and	dassigns, shall hav	e the right at any time to s	urrender this lease, i	n whole or in part, to lesson	r or his helrs, successors, and assigns by delivering assesshall be relieved from all obligations, express-
d or Implied, of this agreement as to acroad d by said release or releases.	ja so surrendered, a	and thorafter the shut-in ro	yalty payable hereund	fer shall be reduced in the p	roportion that the acreage covered hereby is reduc-
		en er e En en er en en er en er en en er en en en er en en er en en en en en	and an included the second	en de la companya de La companya de la co	
				en e	
	wat is			Angle	
			1 m	s e	
epiter wild and processing	ا فالمراجع المراجع المر	National state of the state			
Executed the day and year first above wit	illan.	•		1.	0 36-1
and the second of the second o			. L.	Janes )	1. Juhran
			•	· Pannell.	Gutman

If any resistance or take not 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 stores and inside lights in the privilegal dwelling interem, out of any surplus gas from needed for operations hereounder.

8. The rights of cities risk phereunder may be assigned in whole or in part and the provisions hereol stall extend to the moirs executors, administrators, successors and assigns; but no change in the or knowledge in the land or in the ownership of, or rights to receive, oparties or shuth into original tessor. It any such change to change the obligations or diminish the inflinish of inside and in such change or divisions shall be bunifully upon tessee for any purpose until 30 days after resisted has been furnished by certified mail at lessee's principal viace of business with accordable instruments or certified copies thereof constituting the chain of title from the original tessor. If any such change in changes in the changes in the

1) Lessee, its or his outcessors, helis and assigns, shall have the right at any lime to sufferded this lease. In whole or in part, to lessor or his helis, successors, and assigns by defivering or mailing a role is a thermal to the lessor, or by placing a release theroof of record in the county in which said land is situated, thereupon lessee shall be relieved from all obligations, expressed or initially a greenent as to acroage so surrendered, and therafter the shuffin royalty payable herounder shall be reduced in the proportion that the acreage covered horeby is reduced. ed by said release or releases

	The state of the s				and the second second	
Executor title stay and year first abo	ve Written.		V (6	feed	Elec	bred.
ender men en er er en	e a de la companyo e sus estados estados en la companyo de la comp			Alfred	E. Gutman	ere egge var de residente un arquir al la segui a quae. Transferi
The second secon	um um laura markarraya marya marya markarra	Paulinian en l'Est et luis	American Service Servi	en wer bei keine in ein der eine ein ein der bestehe in der	incomfragge primer over the tight and the control of the control o	The first one becomes the first one said of the said o
		The second secon	Accorded to the control of the contr	the time from transport or course of the country of the specific state.	menter angua 1960 (1866 1866) o per pri apri i antiqui (in i o agrico angu	TO THE BOOK OF THE PROPERTY OF THE SECURITIES



# FLUOR OIL AND GAS CORPORATION

615 MIDLAND TOWER BUILDING MIDLAND, TEXAS 79701 TELEPHONE: (915) 683-2731

October 14, 1981

Doyle Hartman P. O. Box 10426 Midland, Texas 79702

Lease Contribution - 3562

Dear Sir:

All in T-20-S R-37-B NMPM
Section 3: S/2 SW/4 and NW/4 SW/4,
from the surface of the ground down to
but not below, a depth of 50 feet below
the total depth drilled in the first well
drilled on said lands under the terms hereof.

Conditioned as below stated; provided you fully perform such obligation required of you, as stated herein:

1. Kind of Lease:

Such lease shall be dated as of the date the Paragraph No. 2 well is spudded and will be on the terms and conditions set forth in the form of lease(s) attached hereto. Delivery of lease(s) shall not be made unless the well referred to in the following paragraph numbered 2: Commencement of Drilling, Testing, etc. is completed as a producer of oil and/or gas in paying quantities and until you have fully complied with all of the terms hereof.

Commencement of Drilling, Testing, etc:
 In the event you, for any reason, fail to commence or cause to be commenced, the drilling of a well for oil and/or gas at a legal location of your choice on said above described lands

within 78 days from this date, and thereafter drill such well with reasonable diligence, consistent with good oil field practice, to 4,100 feet total depth, or to a depth sufficient to test the Penrose Sand Section of the Queen formation, whichever is the lesser, this agreement shall ipso facto terminate, and we shall thereafter be under no obligation to you whatsoever.

Miller Color

# * FLUOR OIL AND GAS CORPORATION

615 MIDLAND TOWER BUILDING MIDLAND, TEXAS 79701 TELEPHONE: 1915) 683-2731

Doyle Hartman P. O. Box 10426 Midland, Texas 79702 Lease Contribution - 3562

Dear Sir:

If accepted by you as hereinafter provided, this letter will evidence our agreement to execute and deliver to you oil and gas lease (a) covering our mineral interest in the following described land:

All in T-20-S R-37-E iMPM
Section 3: S/2 SW/4 and NW/4 SW/4,
from the surface of the ground down to
but not below, a depth of 50 feet below
the total depth drilled in the first well
drilled on said lands under the terms hereof.

Conditioned as below stated; provided you fully perform such obligation required of you, as stated herein:

- 1. Kind of Lease:
  Such lease will bear a date of October 14, 1981
  and will be on the terms and conditions set forth in the form of lease(a) attached hereto. Delivery of lease(a) shall not be made unless the well referred to in the following paragraph numbered 2:
  Commencement of Drilling, Testing, etc. is completed as a producer of oil and/or gas in paying quantities and until you have fully complied with all of the terms hereof.
- 2. Commencement of Drilling, Testing, etc:
  In the event you, for any reason, fail to commence or cause to be commenced, the drilling of a well for oil and/or gas at a legal location of your choice on said above described lands

within 78 days from this date, and thereafter drill such well with reasonable diligence, consistent with good oil field practice, to 4,100 feet total depth, or to a depth sufficient to test the Penrose Sand Section of the Queen formation, whichever is the lesser, this agreement shall ipso facto terminate, and we shall thereafter be under no obligation to you whatsoever.

3. Liability of Parties:

Such well is to be drilled and completed at your risk and expense and without cost or liability of any kind to us, other than our agreement to execute and deliver to you the aforesaid oil and gas lease, upon the terms and conditions hereof.

4. Coring and Testing:

You shall take cores and sidewall samples at such intervals as are indicated by good oil field practice. All zones or formations encountered which justify testing for oil or gas shall be adequately tested, including setting and perforating casing, if such is necessary to obtain adequate test.

5. Plugging and Abandoning:

You are to use your best efforts to complete the well as a commercial producer, but if such well is dry, same shall be plugged and abandoned in accordance with all applicable laws, rules and regulations, at your risk and expense.

6. Access to Well and Information:

The representatives of this Corporation shall have full and free access to said well and to the derrick floor, and full and complete information concerning said well, including, but not limited to, the right to examine and sample cores, cuttings, sidewall samples, production samples, and the right to observe all tests and producing operations of said well.

7. Notification:

In the event that you encounter any formation containing oil or gas in reasonable substantial quantity or pressure, you shall immediately notify either of the below named representatives of such fact orally, if either of said representatives is at the well site, or by telephone or telegraph at the following location and/or number, at your expense:

Fred Yates A/C 915-683-2731 Off, A/C 915-694-3265 Res.

Fluor 011 and Gas Corporation, 615 Midland Tower, Midland, Texas 79701

Similarly, you shall so notify this corporation sufficiently in advance of any of the following events in order that a representative of this Corporation may be present to witness same:

a. Spudding of said well;

b. All drillstem or other tests of said well;

c. The running of any electric log or other survey;

d. Any coring operation

# 8. Surveys

If not waived by this Corporation, you shall, at your expense, run an electrical survey from the surface casing to the total depth of said well. You shall furnish this Corporation without charge a copy of any velocity and/or dip meter survey run in said well by you or any third party and, in the absence thereof, this Corporation shall be permitted to run a velocity and/or dip meter survey in said well at its sole risk and expense.

# 9. Reports, etc. to be furnished this Corporation:

You covenant and agree to supply this Corporation at your expense with the following data and information at the address set forth in Paragraph 7 hereof:

- a. Progress reports on said well with full information thereon each day by telephone to (915) 683-2731, followed by written report;
- b. Two true copies of each survey as and when made, and two copies of the complete electrical survey when made;
- c. One copy of all other logs and surveys made of said well, and a written report of the results of all tests made on said well, including a copy of all drillstem test charts;
- d. One copy of any paleontological report concerning said well;
- c. One copy of any and all notices and reports made by you and furnished to any governmental body or agency requiring or requesting such notice, including category determination filing.

# 10. Assignments:

No assignment or transfer, in whole or in part, by you of your rights hereunder shall be effective without the prior written consent of this Corporation.

11. Miscellaneous:

It is agreed that time is of the essence of this agreement, and that if for any reason you fail to commence the drilling of the above described well within the time hereinabove set forth, and for any reason fail to drill such well with reasonable diligence to the objective aforementioned, this agreement shall ipso facto terminate, and we shall thereafter be under no obligation to you whatsoever in connection with such well, and no provision hereof shall be modified or waived except in writing.

If the above correctly sets forth the terms of the agreement made with you, then please sign the original of this letter in the space provided below, execute and acknowledge both copies of the attached lease and return to us at our office at 615 Midland Tower Building, Midland, Texas 79701, on or before ten days from the date hereof.

If you fail to return such signed original to us within such period of time, this agreement shall terminate.

Yours very truly,

FLUOR OIL AND GAS CORPORATION

Leroy Esterak, Vice President

LE: ju

ACCEPTED AND AGREED TO:

(Date) October , 1981

Doyle Hartman

#### OIL AND GAS LEASE

THIS AGREEMENT entered into	the '	day of	*	, 19 *	
between FLUOR OIL AND GAS CORPOR					
615 Midland Tower Building, Midl					its
duly authorized officers, herein	after ca	lled "Lesso	"," and Doyle	Hartman	
P. O. Box 10426, Midland, Texas	79702				
hereinafter called "Lessee":	≯t	o be insert	ed prior to de	livery	
Marine St. A. W.					

#### ARTICLE I.

WITNESSETH:

T-20-S R-37-E NMPM Section 3: S/2 SW/4 and NW/4 SW/4 from the surface of the ground down to, but not below, a depth of 50 feet below the total depth drilled in the first well drilled on said lands under the terms hereof.

For the purposes hereof the land described above is estimated to be 120 acres.

# ARTICLE II.

Subject to the provisions herein, this lease shall remain in force for a period of ninety (90) days from date (hereinafter called "Primary Term"), and as long thereafter as this lease is maintained by the provisions hereof.

ARTICLE III.

NONE

#### ARTICLE IV.

1. After commencement of actual drilling of the leased premises, and prior to the discovery thereon and production therefrom of oil, gas, or other liquid or gaseous hydrocarbon minerals of like nature in paying quantities, Lessee may maintain the rights granted herein by continuing such operations without the lapse of more than sixty (60) days between abandonment of one well and beginning the actual drilling of another.

days between abandonment of one well and beginning the actual drilling of another.

2. After discovery and production of oil, gas or other liquid or gaseous hydrocarbon minerals of like nature in paying quantities from the leased premises, the rights granted herein may be maintained in effect so long as such products are being produced in paying quantities. If the production thereof should cause from any cause, this lease shall terminate unless Lessee within sixty (60) days thereafter resumes or restores such production or commences additional actual drilling or actual reworking operations and continues such operations without the lapse of more than sixty (60) days between the abandonment of one well and commencement of actual reworking operations, resumption of production or commencement of actual drilling of another well.

3. Should Lessee, during the primary term hereof, complete a well on the leased premises capable of producing gas in paying quantities, but which Lessee is unable to produce because of lack of market or governmental restrictions then Lessee's rights hereunder may be maintained, in the absence of production of gas, if within thirty (30) days after the completion or shutting in of said well Lessee has paid to Lessor the sum of \$1.00 per acre for each acre of land then covered by this lease, which payment shall maintain the lease in full force and effect for a period of one year from date such

#### OIL AND GAS LEASE

THIS AGREEMENT entered into the 14th day of October	, 1981
between FLUOR OIL AND GAS CORPORATION, a California corporation,	
615 Midland To Jer Building, Midland, Texas, 79701, acting herein	
duly authorized officers, hereinafter called "Lessor," and Doyle	Hartman .
P. O. Box 10426, Midland, Texas 79702	
hereinafter called "Lessee":	

#### ARTICLE I.

#### WITNESSETH:

T-20-S R-37-E NMPM
Section 3: S/2 SW/4 and NW/4 SW/4
from the surface of the ground down to, but not below, a depth
of 50 feet below the total depth drilled in the first well drilled
on said lands under the terms hereof.

For the purposes hereof the land described above is estimated to be 120 acres.

### ARTICLE TI.

Subject to the provisions herein, this lease shall remain in force for a period of ninety (90) days from date (hereinafter called "Primary Term"), and as long thereafter as this lease is maintained by the provisions hereof.

ARTICLE III.

NONE

## ARTICLE IV.

1. After commencement of actual drilling of the leased premises, and prior to the discovery thereon and production therefrom of oil, gas, or other liquid or gaseous hydrocarbon minerals of like nature in paying quantities, Lessee may maintain the rights granted herein by continuing such operations without the lapse of more than sixty (60) days between abandonment of one well and beginning the actual drilling of another.

2. After discovery and production of oil, gas or other liquid or gaseous hydrocarhon minerals of like nature in paying quantities from the leased premises, the rights granted herein may be maintained in effect so long as such products are being produced in paying quantities. If the production thereof should cease from any cause, this lease shall terminate unless Lessee within sixty (60) days thereafter resumes or restores such production or commences additional actual drilling or actual reworking operations and continues such operations without the lapse of more than sixty (60) days between the abandonment of one well and commencement of actual reworking operations, resumption of production or commencement of actual drilling of another well.

3. Should Lessee, during the primary term hereof, complete a well on the leased premises capable of producing gas in paying quantities, but which Lessee is unable to produce because of lack of market or governmental restrictions then Lessee's rights hereunder may be maintained, in the absence of production of gas, if within thirty (30) days after the completion or shutting in of said well Lessee has paid to Lessor the sum of \$1.00 per acre for each acre of land then covered by this lease, which payment shall maintain the lease in full force and effect for a period of one year from date such

well is completed or shut in for lack of market. Upon a similar payment within twelve (12) months from date such payment is due, Lessee's rights hereunder may be maintained for twelve (12) additional months; provided, however, that in no event shall Lessee's rights be so extended by shut-in payments for more than two (2) years.

#### ARTICLE V.

1. Lessee shall drill such wells as a prudent operator would drill in order to prevent drainage of oil, gas or other liquid or gaseous hydrocarbon minerals of like nature from the leased premises by a well on property not covered by this lease.

2. In addition to the obligation to protect the leased premises from drainage, Lessee agrees that if a well producing oil, gas or other liquid or gaseous hydrocarbon minerals of like nature in paying quantities is brought in on property not covered by this lease, and is within six hundred sixty (660) feet of the leased premises in the case of an oil well, or within thirteen hundred twenty (1320) feet in the case of a gas or condensate well, or within any unit or units which adjoin the leased premises, then Lessee shall commence actual drilling, within sixty (60) days after commencement of actual production from each well, of an offset well thereto on the leased premises, and shall diligently prosecute the drilling thereof. Any such offset well drilled by Lessee shall be completed in the same producing zone or zones, where practicable, as the well to be offset, and thereafter shall be operated in such manner as to provide proper protection from drainage of the leased premises.

3. Lessee may be relieved of the obligation of this article by filing in the office of the County Clerk of the County where the leased premises are located, within such sixty (60) day period, a release of all land covered by this lease except for forty (40) acres around each well producing, drilling or being reworked, or when a governmental spacing order exists, Lessor's acreage allotted to such a

producing unit or unit in which a well is being drilled.

#### ARTICLE VI.

Anything in this lease to the contrary notwithstanding, actual drilling on or production from any unit or units formed by any State or Federal governmental authority embracing both land herein leased and other land not included in this lease, shall maintain this lease in force only as to that portion of Lessor's land included in such unit or units, whether or not said drilling or production is on or from the leased premises. This lease may be maintained in force as to the remainder of the leased premises in any manner specified in this lease.

#### ARTICLE VII.

If the estate or interest of either party hereto is assigned and the privilege of assigning in whole or in part is expressly allowed, the covenants and agreements hereof shall extend to their heris, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a certified copy thereof.

# ARTICLE VIII.

Lessee shall pay to Lessor, as royalty,

- of all oil, including distillate or condensate and other liquid hydrocarbons, produced and saved from the leased premises, which shall be delivered to Lessor's credit into any pipe line which the well or wells, or any of Lessee's tanks, may be connected, all free of cost of production and delivery. All oil and condensate shall be measured in tanks situated on the leased premises and such tanks shall not adjoin other tanks measuring oil or condensate in which Lessor has no interest or has a different interest. No liquid meters shall be used without Lessor's consent. Until further notice from Lessor, Lessee may purchase any royalty oil in Lessee's possession, paying the market price prevailing in the field where produced on the date same is run or sold; or, if there is no posted price in the field, the posted average price for oil or take grade and gravity prevailing in the general area in which the leased premises are located.
- 2. Thirty Percent (30%) of the value of all gas produced and saved or sold from the leased premises, delivered free of cost of production and delivery. Delivery is defined as made when the gas has been received by the first purchaser thereof. Value shall not be less than the market price then current for gas of like character and quality delivered to any other purchaser in that field.

Lessor hereby reserves unto itself, its successors and assigns, at its option, risk and expense, the right at any time and from time to time as long as this lease is in effect to take or have delivered to its designated purchaser, its share of gas in kind by giving the Lessee sixty (60) days prior written notice. In the event Lessor exercises this right, such gas shall be delivered at some reasonable point near the wellhead or the connecting pipeline at which point such gas shall be metered through a standard approved meter furnished by Lessor. Lessor also agrees to secure any authority or permit required from any governmental agency having jurisdiction, make all necessary reports to any such agency. The term "gas" as used in this article shall mean royalty gas, overriding royalty gas and working interest gas reserved to Lessor under a reversion option in this lease and shall include but not be limited to gas well gas, casinghead gas, and all gaseous substances produced from the leased premises. Thirty Percent (30%) of the value of all plant products, including residue gas, free of extraction and plant or other process costs, where gas from the leased premises is processed by Lessee or through an affiliated company, or by any other party in a plant or process in or adjacent to the field in which the leased premises are located, or through arrangement on a royalty basis by Lessee with any other party in a plant or process not in or adjacent to the field wherein the leased premises are located. In this last event, Lessor shall be paid only its proportionate share of said royalty paid to Lessee.

4. In the situations covered by the preceding Paragraph 3, Lessor shall receive not less than Thirty Percent (30%) of the value of all residue gas at a price not less than the then current market price for residue gas of like character and quality delivered to any other purchaser in or adjacent to the field where produced.

- 5. Prior to entering into any contract for the sale of gas hereunder, Lessee shall give Lessor sixty (60) days' written notice of the terms which Lessee proposes to accept. Should Lessor object to such terms, Lessee agrees to meet with Lessor, at which meeting the parties shall endeavor in good faith to arrive at a mutually satisfactory solution. However, Lessor's consent thereto shall not be a condition of Lessee's right to enter into such a sales contract. Promptly after the execution of any contract for the sale of gas hereunder, Lessee shall furnish Lessor with a full and complete copy of such executed contract.
- 6. In the measurement of oil or other liquid hydrocarbons, 100% tank tables shall be used. Field tests, measurements, and corrections of crude oil shall be in keeping with the currently approved A.P.I. Code of Measuring, Sampling and Testing Crude Oil.
- 7. On or before the 25th day of each month, Lessee shall mail or deliver to Lessor an itemized statement (duly signed by an authorized representative of Lessee) showing the production during the preceding calendar month.

## ARTICLE IX.

In the event Lessor considers that Lessee has failed to comply with any obligation, express or implied, Lessor shall give written notice to Lessee, and Lessee shall have sixty (60) days to comply with the obligations of this lease. This requirement of notice and granting of delay for performance does not apply to Lessee's failure to pay shut-in rental in accordance with Article IV-3, or comply with obligations relative to drilling and/or reworking operations, or protect the leased premises from drainage, or comply with the provisions of Article XII-4, as required by the terms of this lease.

#### ARTICLE X.

Except in the situations covered by Article V-3, which that article shall control, Lessee may deliver to Lessor a recordable instrument surrendering all or any portion of the leased premises at any time this lease is in effect, and thereby be relieved of all obligations thereafter accruing under this lease as to the portion surrendered.

## ARTICLE XI,

- 1. Within ninety (90) days after the termination of this lease for any cause, as to all or any portion of the leased premises, Lessee shall remove from that portion of the leased premises upon which this lease has terminated any and all surface equipment which Lessee may have placed thereon and shall restore the leased premises as near as possible to the condition existing on the date of this lease.
- 2. All wells shall be plugged and abandoned in accordance with the rules and regulations of the governmental regulatory body having jurisdiction thereof.

#### ARTICLE XII.

1. Lessor warrants and agrees to defend the title to the leased premises against claims by, through or under it, and not otherwise.

2. Lessee may discharge any tax, mortgage or lien upon this land, and thereby shall become subrogated to such claim with the right to satisfy same out of royalties due under this lease. 3. If Lessor is shown to own less than the entire fee simple estate in the leased premises, either by admission or by judgment of competent court, then the royalties, and any amounts due Lessor under this lease shall be reduced proportionately. Lessee, however, shall not be entitled to claim or recover any monies already paid Lessor as bonus, rent, royalty or for any other reason. 4. It is a material consideration to the continued existence of this lease that Lessee has not, previous to the execution hereof, acquired, nor subsequent to the execution hereof, will acquire, an oil, gas or mineral lease covering the property herein leased from any person or persons or firm claiming an interest therein adverse to Lessor. ARTICLE XIII. 1. Lessor may, at Lessor's own expense, have a representative on the leased premises during operations at all times, who shall be entitled to examine all cores, electrical logs, and other well data, and who may witness the checking or measuring of all hydrocarbons or minerals produced from the leased premises. 2. Lessee, at Lessor's request, shall furnish Lessor with complete information concerning any and all wells drilled on the leased premises or on premises with which the leased premises may be unitized, including but not limited to copies of all logs of wells, bottom-hole location surveys, core data, completion data, bottom-hole pressure data, and all other geologic or reservoir data which were obtained by Lessee from such wells. 3. In the event Lessee or its assigns applies to any State or Federal regulatory body for the fermation of production and proration unit or units, or well. spacing affecting the interest herein leased, it is essential to the continued existence of this lease that notice of same shall be given to Lessor at least fifteen (15) days before such application is made, and that there shall be given to Lessor at that same time a copy of such proposed application with all accompanying plats and supporting data. ARTICLE XIV. Lessor reserves the right to develop the leased premises for uses or purposes other than those for which it is herein leased, provided such does not unreasonably interfere with the rights herein granted to Lessee. ARTICLE XV. Lessee assumes all responsibility for any damage resulting from its operations under this lease, and shall pay any and all increase in taxes that may be brought about by buildings or other improvements constructed by Lessee or its assigns on the leased premises during the life of this lease. ARTICLE XVI. Lessee shall have the right to use, free of cost, gas, oil and water produced by Lessee on leased premises for all operations hereunder. When requested by Lessor, Lessee shall bury pipe line below plow depth. No well shall be drilled nearer than 200 feet to any residence or barn now on said premises without written consent of Lessor. Lessee shall pay for damages caused by all operations to growing crops on the leased premises. Lessee shall have the right ut any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing. ARTICLE XVII. In case of default by Lessee in the performance of any obligation hereunder, the mention herein of any right or remedy of Lessor with respect thereto shall not preclude Lessor from exercising any other right or remedy to which Lessor might otherwise be entitled with respect to that or any other obligation of Lessee. 2. When drilling or other operations are delayed or interrupted by storm, flood, or other act of God, five, war, rebellion, insurrection, riot, strikes, or as a result of some order, requisition or necessity of the government, the time of

such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State laws, Executive orders, rules or regulations and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation.

3. Any and all notice, information or data required to be given by Lessee to Lessor shall be given by mailing same postpaid registered mail, addressed to Fluor Oil and Gas Corporation, 615 Midland Tower Building, Midland, Texas, 79701, unless and until notice of change of address is given Lessee in writing. Any notice required to be given by Lessor to Lessee shall be given by mailing same postpaid registered mail, addressed to Doyle Hartman

P. O. Box 10426, Midland, Tx 79702 unless and until notice of change of address is given Lessor in writing.

22 and autil Motice of change of address 12 Brack pepper yn Arreynê.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

ATTEST:		FLUOR OIL AND GAS C	ORPORATION, Lessor
By: C. L. Ware, Assis		By: Leroy Esterak,	Vice Duest dest
C. L. Ware, Assis	tant Secretary	Leroy Esterak,	Arce President
utness:			
2214000	- A		
		Doyle Hartman	Lessee
	4		
TATE OF TEXAS OUNTY OF MIDLAND			
orporation.  y Commission Expires:		, Vice Pres , a corporation, or	i benail of said
		Macella Friday Notary Public in and	l for
		Gownty,	
CATE OF DUNTY OF	Ĭ		
		edged before me this	day of
y Commission Expires:			
,			<del></del>
		Notary Public in and	for

(915) 686-8721 2033/20222 - OFFICE 6834329 - HOME E.M. GORENCE Oil & Gas Properties P.O. BOX 10460 MIDLAND, TEXAS 79702 October 16, 1981

> Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. Richard L. Moore 404 Blanks Building Hidland, Texas 79701

Dear Mr. Moore:

Enclosed find oil and gas lease for execution by J. Hiram Moore, Betty Jane Moore and Michael Harrison Moore, Trustees, covering interests totaling 6.041648 net acres in the captioned lands.

You have advised our offer of \$150.00 per acre (total of \$906.25) for a one year lease with 1/4 royalty is acceptable. We also accept your requirement that the deep rights below 100' below production be released after expiration of the primary term.

Please call when the lease is executed and we will deliver our check for \$906.25.

Thank you.

Yours very truly,

EMG/sg

E. M. Gorence

Lease has been received

16 October		81	
J. Hram Moore, Betty Jane Moore	ne and Michael	Harrison Moor	e. Trustees
J. In ram noore, betty date noor	re and literaci		
	and the second s	01	
		<u> </u>	(Post Office Address)
herein called lessor (whether one or more) and		load and of the rocalities here	In provided and of the egreements of the leas
herein contained, hereby grants, leases and lets actually by mito leases for the pur ting gas, waters, other fiulds, and air into subsurface strata, laying pipe fines, aforin	rpose of investigating, explored to the control of	oring, prospecting, drilling, an ays, telephone lines, and other	d operating for and producing oil and gas, injury ratructures and things thereon to produce, sa
take care of, treat, process, store and transport seld minerals, the following describe			
NW/4 SW/4 and S/2 SW/4 Section	3 Township 2	20 South, Range	37 East
mit but and by a but become	J, Township	44	×1
Said land is estimated to comprise 120 acres, whether it actua	ally comprises more or less	i,	
2. Subject to the other provisions herein contained, this lease shall remain in force		year	_ from this date (called "primary term") and
ong thereatter as olt or gas is produced from said land or from land with which sa 3. The royalites to be paid by lessee are: (a) on oil, and other figuld hydrocartions so name to be delivered at the wells or to the credit of lessor i. The pipeline to which i	ald land is pooled.	1/4	of that produced and saved from said lan
ame to be delivered at the wells or to the credit of lessor i . The pipeline to which t rom said tand and used off the premises or used in the manufacture of gasoline or gi			
rom salo tano and usiku on the premises of used in the manufacture of gasoline or gr	1//	of the amount realized from	such sale; (c) and at any time when this leas
rovided that on gas sold on or off the premises, the royalties that be : of varidated by other provisions his off and there is a gas and/or conduntate, well of but is, alther before or after production therefrom, then on or before 90 days after a	on said land, or land posted ( aald woll is shot in spection	hera elli, bili qua or condensa ezal é dranne atantenais, less	ee may pay or tender an advance and such well by the transparence of the pay of the total
quai lo \$1.00 per ner ecre of fessor a gas acreage fixon held under this lease by the helf not terminate and It shall be considered under all clauses hersol that gas is bel I the party or partias who at the time of ouch payment would be entitled to raceiv	s party making such paymer Ing produced from the lease	it of tender, and so long as said premises in paying quantitie	id shut in foyally is paid or tendered, this lea is. Each such payment shall be paid or tender
inder of royalities and shutin toyalities may be made by check of draft. Any timely hich is erroneous in whole or in parties to parties or amounts, shall nevertheless be	payment or tender of abut-	in royalty which is made in a b	ona fide attempt to make proper payment, t
ade if lesses shall correct such error within 30 days after tessee has received writte ritten Instruments (or certified copies thereof) as ere necessary to errable lessen to	en notice thereof by cartille	d mail from the party or parties	entitled to receive payment together with au
itablished by the gas sales contract entered into in good faith by lessee and gas pur It amount received by lessee after giving effect to applicable regulatory orders and	dafter application of any ap	qe etnemteujba esing eldesilg	ecified in such contract or regulatory orders
a event lessee compresses, treats, purilles, or dehydrates such gas (whether or reunder may deduct from such price a reasonable charge for each of such funct	tions performed.		
4. This is a paid up lease and lesses shall not be obligated during the primary to rounder to order to maintain this lease in force during the primary term; however, to	ein hereol to commence or this provision is not intende	continue any operations of w id to relieve lesses of the oblig	rhatspever character of 10 make any paymen ration to pay royalites on actual production pu
ant to the provisions or Paragraph 3 hereof. 5. Lessee is hereby granted the right and power, from time to time, to pool or com	mbine this leade, the land co	overed by II or any part of horiz	ron thereof with any other land, leases, miner
tales or parts thereof for the production of oil or gas. Units pooled hereunder shall merals Department of the State of New Maxico or by any other layful authority for if designations in the county in which the premises are located and such units.	r the pool or area in which s	ald land is situated, plus a tol	erance of ten percent. Lessee shall file willte
Not production from any part of any such unit shall be considered for all purposes, is lease. There shall be allocated to the land covered by this lease included in any si	s, except the payment of roy	alty, as operations conducted	upon or production from the land described
ied in lease or unit operations, which the net oil or gas acreage in the land covered i located shall be considered for all purposes, including the payment or delivery of ro	by this lesse included in the oyally, to be the entire produ	unit bears to the total number uction of pooled minerals from	of surface acres in the unit. The production a the portion of said land covered hereby and it
uded in said unit in the same manner as though produced from said land under t sees by recording an appropriate instrument in the County where the land is altu	uated at any time after the c	completion of a dry hole or th	e cessation of production on said unit.
<ol> <li>If at the expiration of the primary term there is no well upon said land capable of last remain in force so long as operations are prosecuted with no cessation of more than the control of the control of</li></ol>	re than 60 consecutive days	, whether such operations be	on the same well or on a different or addition
ill or wells, and ill they result in the production of olf or gas, so long therafter as o guild become incapable of producing for any cause, this lease shall not términate jiling, accittional drilling, or reworking operations hereunder result in production,	il lesses commences oper	ations for additional dillling or	tor teworking within £9 days theresiter, if an
. Lessee shall have free use of oil, gas and water from said land, except water fro g any so used. Lessee shall have the right at any time during or after the expiralit	om lessor's wells and tanks.	for all operations hereunder,	and the royally shall be computed after dedu
A and remove all casing Willem required by lessor, lessee will bury all pipe lines or my residence or barn now on said land without lessor's consent. Lessor shall hav	n cultivated lands below ord	linary plow depth, and no well	shall be drilled within two hundred feet (200 f
hts in the principal dwelling thereon, out of any surplus gas not reeded for oper 8. The rights of either party hereunder may be assigned in whole or in part and the	ations hereunder		
anga in the danership of the land of in the ownership of, or rights to receive, royal his of lessee, and no such change or division shall be binding upon lessee for a	illies or shul-in royallies, ho	wever accomplished shall one	erate to enlarge the obligations of diminish th
siness with acceptable instruments or certified copies thereof constituting the c ner, lessee may, at its option, pay or tender any royalties or shut in royalties in the	chain of title from the origin oname of the deceased or to	rel lessor. Il any such change i his estale or to his heirs, exec	in ownership occurs through the death of the cutor or administrator until such time as less
s been furnished with evidence satisfactory to leasee as to the persons entitled t leve and discharge leasee of any obligations hereunder and, if leasee or assignee o	to such sums. An essignment of part or parts parts and the parts of parts hereof shall f	ent of this lease in whole or in the payment in the paym	o part shall, to the extent of such assignment tent of the proportionate part of royally or shu
royalty due from such leasee or assignee or fall to comply with any of the provision ass or any assignee there's shall properly comply or make such payments.		A second	
9 Should lesses be prevented from complying with any express or implied coveras s hereunder by reason of scarolty or inability to obtain or use equipment or mate vernantmental authority, then while so prevented, lessee's duty shalt be suspend.	erial, or by operation of force	e majeure, or by any Federal	or state law or any order, rule or regulation of
d so long as lessee is prevented by any such cause from conducting drilling or rew to be counted against lessee, anything in this lesse to the contrary notwithstandi	orking operations or from pr	roducing oil or gas hereunder,	and the firms while lesses is so prevented sha
0. Lessor hareby warrants and agrees to defend the title to said land and agrees to see does so it shall be subrogated to such lien with the right to enforce same and it.	that lessee at its option ma	y discharge any tex, mortgage	or other lien upon said land, and in the ever
sees a rights under the marrenty. If this lease covers a less interest in the oil or yas i rein specified or not) then the royalties, shul-in royalty, and other payments, it any,	in all or any part of said land, accruling from any part as to	than the entire and undivided which this lease covers less	files simple estate (whather lessor's interest i than such full interest, shall be paid only in th
oportion which the interest therein, if any, covered by this lease, treats to the whole it is execute this lease, it shall nevertheless be binding upon the party or parties.	e and undivided fee simple e	state therein. Should any one	or more of the parties named above as lessor
<ol> <li>Lessee, its or his successors, helps and easigns, shall have the right at any time malling a release thereof to the lessor, or by placing a release thereof of record in it</li> </ol>	he county in which said land	i la situated, thereupon lessen	shall be relieved from all obligations. excress
of furbries, of this adiagnous is to accease so antiendered, and therafter the about	in royally payable herounce.	i shall be reduced in the propo	ition that the acreage sovered hereby is reduc
2. Following the expiration of the prim	ary term and	any extension t	hereof which may
ccur in accordance with any provisions chall terminate as to all depths below 10	ontained in t	the base of the	deexact Cormation
rom which oil and/or gas is then being p	produced on the	e leased premis	ses. It is agreed
hat at the end of the primary term of th	e lease, Less	ce will prepare	and properly record
he necessary instruments to indicate the	depth carned	during the pri	inary term.
The second secon			
27.00	J. H	iram Moore, Tr	ustec
Executed the day and year flist above written.	•		
	Bett	y Jane Hoore, '	Prustoe
		J. Vigio HOOLGS	A A MODUU 
	ان چه پیدی و هستم	Marian Services	and the second s
	Erch	ael Hairison Mo	oote Ingeree

# September 17, 1981

NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E, Lea County, New Mexico:

J. Hiram Moore, Betty Jane Moore and Michael Harrison Moore, Trustees, own mineral interests totaling 6.041648 net acres in subject lands.

Guardian Deed dated 10/14/47:

Helen Bolding Phillips, Guardian of Jean Bolding Wagner to J. Hiram Moore. Deed recites interest conveyed as 1/36 of 1/4; however, Jean Bolding Wagner only owned 1/36 of 5/8 of 1/4 or 5/1152, being .520824 net acres.

Mineral Deed dated 9/89/72:

Ellen Dean Haynes, et vir, A. C. Haynes to J. Hiram Moore conveyed 1/36 of 5/8 of 1/4 or 5/1152 being .520824 net acres.

Minural Deed dated 9/8/471

James E. Weir, et us to J. Hiram Moore conveyed 1/24 interest being 5.00 net acres.

Above deeds total 6.041648 net acres

Oil and gas lease offer at \$150.00 per acre, total \$906.25; 3/16 royalty; three year term; paid up lease.

Policies in the bast Mance of Mintel base of Modern South of the State of the State

n e

#### OIL & GAS LEASE

The state of the s	gust	1981 , between	
Ellen Dean Haynes, dealing		separate proper	ty. Star Route, Box 54.
Monument, New Mexico 8826	<u> </u>		
	·		(Post Office Address)
erein called lessor (whether one or more) and E . M .	Gorence, Box 10	160, Midland, Te	
Lessor, in consideration of TEN AND OTHER DOLLARS in ha erein contained, hereby grants, leases and lets exclusively unto k ing gae, waters, other fluids, and air into subsurface strate, raying r	sasse for the purpose of Investiga	ting, exploring, prospecting, dri ks, road ways, telephone lines, s	illing, and operating for and producing oil and ges.
ike care of, treat, process, store and transport said minerals, the fo	ollowing described lend in	Lea	County, New Mexico, I
NW/4 SW/4 and S/2 SW/4 Section	on 3, Township 20	S. Range 37E	
		•	34
ald land is estimated to comprise 120 acres,	whether it actually comprises mo		
Subject to the other provisions herein contained, this lease sha p thereafter as oil or gas is produced from said land or from fan	nd with which said land is pooled	three years	from this date (called "primary term") an
The royalties to be paid by lessee are; (a) on oil, and other tiguid to be delivered at the wells or to the credit of lessor in the ply	hydrocarbons saved at the well_ peline to which the wells may be o	3/16 onnected, (b) on gas, including	of that produced and saved from said i casinghead gay or other gaseous substance produ
n said land and used off the premises or used in the manufacture	of gasoline or other products, the		3/16 of the gas u
ded that on gas sold on or off the premises, the royalties shall be alidated by other provisions hereof and thinks is a gas and/or co	e 3/16	of the amount realized pooled therewith, but gas or or	ed from such sale; (c) and at any time when this leas
in, either befole or after production therefrom, then on or befor I to \$1 00 per net acre of lessor's gas acreage then held under t	e 90 days after said well to shut in this lease by the party making suc	, and thereafter at annual interval his payment or tender, and so lor	als, lessee may pay or tender an advance shut in roy
not ferminals and it shall be considered under all clauses here: a party or parties who at the time of such payment would be e	of that gas is being produced from ntitled to receive the royalties wh	The leased premises in paying quich would be paid under this le	ushillies. Each such payment shall be paid or tend
er of royalites and anut in royalites may be made by check or on the erroneous in whole or in part as to parties or amounts, shall	raft. Any timely payment or tende	r of shut to royalty which is mad	de in a bona fide attempt to make proper payment,
e if lessee shall correct such error within 30 days after lessee ha on instruments (or certified copies thereof) as are necessary to i	s received written notice thereof b	y certified mall from the party or	parties entitled to receive payment together with a
bilshed by the gas sales contract entered into in good faith by le imount received by lessee after giving effect to applicable regul	ssee and gas purchaser for such to	erm and under such conditions a	is are customary in the industry. "Prica" shall mean
event lessee compresses, treats, purifies, or dehydrates such under may deduct from such price a reasonable charge for eac	gas (whether on or off the lease	d premises) or transports gas	off the leased premises, lessee in computing roy
This is a paid-up lease and lessee shall not be obligated durin	g the primary term hereof to com	mence of continue any operation	ons of whatsoever character or to make any payme
under in order to maintain this fease in force during the primary to the provisions or Paragraph 3 hereof.		a the second of	
Lessee is hereby granted the right and power, from time to time as or parts thereof for the production of oil or gas. Units pooled	e, to punker combine this lease, the horeunder shall not exceed the st	he land covered by it or any part and and proretton unit liked by la	or horizon thereof with any other land, leases, min- w or by the Oil Conservation Division of the Energy
rals Department of the State of New Mexico or by any other law resignations in the county in which the premises are located an	ful authority for the pool or area I	n which said land is situated, pl	lus a tolerance of ten percent. Lesses shall file writ
production from any part of any such unit shall be considered ease. There shall be allocated to the land covered by this lease in	for all purposes, except the paym	ent of royalty, as operations cor	sducted upon or production from the lend describe
In lease or unit operations, which the net oil or ges acreage in that is shall be considered for all purposes, including the payment	ie land covered by this lesse inclu	ded in the unit bears to the total	number of surface acres in the unit. The production
d in said unit in the same manner as though produced from all by recording an appropriate instrument in the County where	ald lend under the terms of this is	ase. Any pooled unit designate	ed by lessee, as provided herein, may be dissolved
If at the expiration of the primary term there is no well upon said remain in force so long as operations are prosecuted with no ci	I land capable of producing off or c	as, but lessee has commenced	operations for drilling or reworking thereon, this is
or wells, and if they result in the production of oil or gas, so long become incapable of producing for any cause, this lease shall	ig therafter as oll or gas is produc	ed from said land. If, after the e	expiration of the primary term, all walls upon said is
ig, additional drilling, or reworking operations hereunder result	l in production, then this lease si	tell remain in full force so long	thereafter as oil or gas is produced hereunder.
Lessee shall have free use of oil, gas and water from said land, one so used. Lessee shall have the right at any time during or a	fier the expiration of this loads to	remove all properly and fixible	a placed by leases on sald land, including the right
and remove all casing. When required by lessor, lessee will bury residence or barn now on said land without lessor's consent. I	essor shall have the privilege, at	his risk and expense, of using o	
In the principal dwelling thereon, out of any surplus gas not in The rights of either party hereunder may be assigned in whole o			utors, administrators, successors and assigns; but
e in the generalip of the land of thithe ownership of, or rights of lessee, and no such change of division shall be binding up	to receive, royalties or shullin roy	alties, however accomplished a	hall operate to enlarge the obligations or diminish
ess with acceptable instruments of certified copies thereof co , fessee may, at its option, pay or tendor any royalites or shut in	instituting the chair of title from	the original lessor. If any such	change in ownership occurs through the death of i
en furnished with evidence salisfactory to lessee as to the pe and discharge lessee of any obligations hereunder and, if less	ersons entitled to such sums. An	assignment of this lease in who	ole or in part shall, to the extent of such assignme
ally due from such lessee or assignee or fall to comply with any e or any assignee therof shall properly comply or make such p	of the provisions of this lease, suc		
hould leasee be prevented from complying with any express or reunder by reason of scarcity or inability to obtain or use equ	rimplied covenant of this lease, or	from conducting drilling or rew	vorking operations hereunder, or from producing of
mentmental authority. Then while so prevented, lessee's duty si o jong as lessee is prevented by any such cause iron conductin	hall be suspended, and lessee shi	ill not be liable for failure to cor	mply therewith; and this lease shall be extended wh
counted against lessee, anything in this lesse to the contrar	y notwithstanding.	As the dark of the control of the co	andre de la companya
essor hereby warrants and agrees to defend the title to said is a does so it shall be subrogated to such lien with the right to enf	orce same and to apply royalties a	nd shut in royalties payable here	sunder toward satisfying same. Without impairment
is rights under the warranty, if this lease covers a less interest i specified or not) then the royallies, shut in royalty, and other pa	syments, if any, accruing from any	part as to which this lease cove	irs less than such full interest, shall be paid only in t
ortion which the interest therein, if any, covered by this lease, bet be execute this lease, it shall nevertheless be binding upon the i	party or parties executing the sar	n <b>e</b>	
essee, its or his successors, helfs and assigns, shalf have the fi ling a release thereof to the lessor, or by placing a release there	Of OLISCOLD IN THE COUNTY IN MUICH	Said land is altuated thereucon	anne annitanido ila mott bavailas ad liada aassat r
mplied, of this agreement as to acreage so surrandered, and the sald release or releases	skatter (na abni-iu cokerri bekeple j	nereunder shall be reduced in th	e proportion that the acroage covered hereby is red
	en e		
		•	
Control of the state spane material		0.4	$\alpha$
cuted the day and year first above written	T	MIL MA	
		Merudia	Down Hayrus
		Ellen	Productidy res
and the second s	S	oc. Sec. No. 5	71 74 1000

STATE OF NEW MEXICO			VLEDGMENT (New Me	also Short Form
County of LEA		<b>A</b>		ALC CIVITA
The foregoing instrument was ackr			SEPTEMBER	
9 81 by Ellen Dean Kay	nes, dealing in solu	e and seperate pr	opercy	
		Madelina f 3h	actelled	•
My Commission expires Sept. 2	2,1984		Notary Public	
TATE OF	-			
ounty of		INDIVIDUAL ACKNOW	VLEDGMENT (New Me	xlea Short Farr
The foregoing instrument was ackn	cwledged before me this _	day o	1	-
9 by				
	•			
ly Commission expires	, 19		Notary Public	·
्रा । <u>इत्राक्ष्यकृत</u>				
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	INDIVIDUAL ACKNOW	LEDGMENT (New Me	xico Short Form
ounty of The foregoing instrument was ackn	owledged before me this	day o	1	
				Transfer of the
)by				«قديشاد جوريسا أنا يعبدون الروي والمراكز الرويات
y Commission expires			Notary Public	
y Commission expires			Motary Public	
TATE OF		NDIVIDITAL ACKNOW	LEDGMENT (New Me	vica Shart Form
ounty of	AND THE STATE OF T			
The foregoing instrument was acknowledged by				
				<del></del>
y Commission expires	10		Notary Public	
A. D., 19, ato'clockm., and was duly recorded in Bookat Page of the Records of said County.  Sounty Clerk.  ByDeputy.	County, New Mexico Term STATE OF NEW MEXICO COUNTY OF I hereby certify that this instrument was filed for	Date 19 Section Township Range	TO	OIL AND GAS LEASE NEW MEXICO
ATE OF		en de la companya de La companya de la co	and the second s	
unty of	Co The State of the State of t	DRPORATION ACKNOW	VLEDGMENT (New Me	xico Short Form
The foregoing instrument was acknown	wledged before me this	day of_		. 19
				corporation
behalf of said corporation.				
behalf of said corporation.  Commission Expires:			N	otary Public
behalf of said corporation.			<b>N</b>	otary Public
behalf of said corporation.  Commission Expires:		ORPORATION ACKNOW	- 40 - 19 - 19 - 19 - 19 - 19 - 19 - 19 - 19	
Commission Expires:  ATE OF	Co		VLEDGMENT (New Mex	ico Short Form)
behalf of said corporation.  Commission Expires:  ATE OF	Co		VLEDGMENT (New Mex	ico Short Form)

Notary Public

My Commission Expires

#### OIL & GAS LEASE

	IAS LEASE
THIS A GREENENT marke this 31 Study of August	19 82 Selection
	e and separate property, 1700 Oriole Drive,
llobbs, llev Nexico 88240	
	of (Post Office Address)
herein called leasns (whether one or more) and B. 11. Gorene	O , lessand
herain contained, hereby grain's Jeases and lets exclusively unto lessee for the purpose of ling gas, waters, other fluids, and air into subsurface strata, raying pipe lines, storing oil, but	h is here acknowledged, and of the royalties herein provided and of the agroamants of the fasse I investigating, exploring, prospecting, drilling, and operating for and producing oil and gas, injec utiding tanks, readways, telephone lines, and other structures and things thereon to produce, save
take care of, treat, process, store and transport said minerals, the following described fand t	in Loa County, New Mexico, to wil
	1.301.1. 000 Day - 2003
1111/4, Sil/4, and S/2 Sil/4, Section 3, T	olmship 205, Hange 375
Said land is estimated to comprise 120 acres, whether it actually com	prises mora or less.
2. Subject to the other provisions herein contained, this lease shart strain in force for a te long therealter as off of 523 to provinced from said land or from land with which said land	ermot. three years from this date (called "primary term") and as
<ol><li>The royalties to be risk by tessee are: (a) on oil, and other liquid hydrocarbons saved at same to be delivered at the wells or to the credit of lessor in the pipeline to which the well.</li></ol>	the well,of that produced and saved from said land, s may be connected; (U) on gas, including casinghead gas or other gaseous substance produced
from said find and used off the premises or used in the manufacture of gasotine of other pro	가지도 하는 사람들은 사람들이 되었다. 그는 사람들이 가지 않는 사람들이 되었다. 하는 사람들이 가지 않는 사람들이 되었다.
provided that on gas sold on or off the greenless, the royalites shall be	of the amount realized from such sale; (c) and at any time when this lease is and, or land pooled therewith, but gas c condensale is not being co sold or used and swith woll! its shut in, and therealter at annual intervals, leasee may pay or tender an advance shut in royally
equal to \$1.00 per net acre of lessor's gas acreage then field under this lease by the party means in not terminate and it shall be considered under all Clauses hereof that gas is being prod	naking such payment or tender, and so long as said shut in royalty is paid or tendered, this lease luced from the leased premises in paying quantities. Each such payment shall be paid or tendered
tender of royalities and shullin royalities may be made by check or draft. Any timely paymen which is alrended in whole or in parties to parties or amounts, shall nevertheless be sufficient.	bystiles which would be paid under this lease if the well were in fact producing. The payment of It or tender of shut in royally which is made in a bona fide attempt to make proper payment, but In it oprevent fermination of this lease in the same manner as though a proper payment had been
written instruments (or certified copies thereof) as are necessary to enable lessee to make p	ia thereof by certilled mall from the party or parties entitled to receive payment logither with such proper payment. The amount realized from the sale of gas on or off the primises shall be the price for such term and under such conditions as are cystomacy in the industry. "Firste" shall mean the
net amount received by lusses after giving effect to applicable regulatory orders and after a the event fessee compresses, treats, purifies, or dehydrates such gas (whicher on or of	optication of any applicable price argustments appoified in such contract or regulatory orders. In It the leased premises) or transports gas off the leased premises, leasee in computing royalty
herounder may deduct from such price a reasonable charge for each of such functions per 4. This is a paid up lease and leason shall not be obligated during the primary term has the promoter to order to maintain this lease in force during the orderay term however. This order	arroimed. eof to commence or continue any operations of whatspever character or to make any payments vision is not intended to relieve lesses of the obligation to pay royalties on actual production pur-
suant to the provisions or Paragraph 3 hereof.  5. Lessee is hereby granted the right and power, from time to time, to pool or combine the	his lease, the land covered by it or any part or horizon thereof with any other land, leases, mineral
estates or parts thereof for the production of oil or gas. Units pooled hereunder shalt not exc Minerals Department of the State of New Mexico or by any other lawful authority for the po	ceed the standard proration unif fixed by law or by the Oil Conservation Division of the Enorgy and not or area in which said fand is situated, plus a tolerance of ten porcent. Lesses shall fille written asignated from time to time and either before or after the compiction of waits. Diffiling operations
on or production from any sait of any such unit shall be considered for all purposes, exceptible lease, friere shall be cliccated to the fand covered by this feese included in any such unit	it the payment of royalty, as operations conducted upon or production from the fand described the table production of the total production of pooled minerals from wells in the finite deduction of pooled minerals from wells in the finite deduction of pooled minerals from wells in the finite deduction.
allocated shall be considered for all purposes, including the payment or delivery of coyalty, t	lease included in the Unit Lears to the fole) number of surface acres in the unit. The production so to be the entire production of pooled minerals from the portion of said land covered hereby and in- ns of this lease. Any pooled unit designated by lessee, as provided serein, may he dissolved by
	l any time after the completion of a dry hole or the cessation of production on said unit uing ail or gas, but lessee has commenced operations for drilling or reworking theroon, this léase 60 consecutive days, whother such operations be on the same well or on a different or additional
woll or wells, and if they result in the production of oil or gas, so long therafter as oil or ga should become incapable of producing for any cause, this tease shall not terminate if lesse	is is produced from said land. If, after the expiration of the primary term, all wells upon said land so commences operations for additional drilling or for reworking within 60 days thereafter. If any
6:Hilling, additional drilling, or reworking operations bereunder result in production, then the 7. Losses shall have free use of oil, gas and water from said land, or cent water from the first term is a few to be a few to	the lease shall remain in full force so long thereafter as oil or gas to produce a factorial like of the works Make wells united, not so operations hereunder, and the royally shall be computed after deduced in seaso to remove at property and fixtures placed by lease on said land, including the right to
Iraw and comoto all casing. When required by lessor, losses will bury all pipe lines on cultivial any residence or barn now on cald land willhout tessor's consent. Lessor shall have the pr	ated lands below ordinary plow depth, and no well shall be drilled within two hundred foet (200 ft.) rivilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside
ights in the principal divelling thereon, out of any surplus gas not needed for operations.  8. The rights of either party bereundar may be assigned in whole or in part and the provision to the conception of the land of th	hereunder. Unis hereof shall extend to tholir halis, executors, administrators, successors and assigns, but no "shut in royalties, however, accomplished shall operate to enlarge the obligations or diminish the
rights of tassee: and no such change or division shall be binding upon tessee for any purp businuss with acceptable instruments or certified copies thereof constituting the chain of	iose until 30 days after lassee has been furnished by certified mall at lessee's principal place of Little from the original lessor. If any such change in ownership occurs through the death of the
has been furnished with evidence satisfactory to lessee as to the persons entitled to such	of the deceased or to his estate or to his heirs, executor or administrator until such timic as lessee I suins. An essignment of this tease in whole or in pert shall, to the extent of such assignment, Or paris hereof shall fall or make default in the payment of the proportionale part of royally or shul-
n royally due from such lesses or assignee or fall to comply with any of the provisions of thi. esses or any assignee therof shall properly comply or make such payments.	s lease, such default shall not affect this lease insofar as it covers a part of said lands upon which
gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or	his lease, or from conducting dillting or reworking operations hereunder, or from producting oil or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of I leasee shall not be liable for failure to comply therewith; and this lease shall be extended while
not be counted against lessee, anything in this lease to the contrary not withstanding	operations or from producing oil or gas hereunder; and the time while lasses is so prevented shall
lessee does so it shall be subrogated to such lien with the right to enforce same and to apply lessee's rights under the warranty, if this lease covers a less interest in the oil or gas in all or	isee at its option may discharge any tex, mortgage or other lien upon sald land, and in the event rroyalties and shut in royalties payable hereunder toward saltsfying same. Without impairment of r any part of sald land than the entire and undisided fee simple estate (whether lessor's interest is
	ng from any part as to which this fease covers less than such full interest, shall be raid only in the ulvided fee simple estate thorein. Should any one or more of the parties named above as lessors thing the same
11. Lessee, its or his successors, helrs and assigns, shall have the right at any time to surrex malling a release thereof of record in the course malling a release thereof of record in the course.	render this tease, in whole of in part, to lessor or his helis, successors, and assigns by delivering nly in which said land is situated; thereupon lossoe shall be relieved from all chilgations, express
id or implied, of this agreement as to acreage so surrendored, and therafter the shut-in royal aid to releases.	ty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduc-
Executed the day and year first above written.	
	Jannet Unn Funk
<u> </u>	() Jannet Ann Funk
	Soc. Sec. No.

	- X-		• • •		
THIS AGREEMENT made this				19 81 , between .	
					Jr., 1700 Oriole Drive,
Hobbs, How Hoxi			and the second s		
	ering in a contract of the con	en e			01
:		E. H. Gor			(Post Office Address)
erein called tessor (who har one of 1. Lessor, in consideration of T erein contained, hereby grants, I ng gas, wat wa, other finids, and	TEN AND OTHER OOL	LARS in hand paid, re-	celus of which is here ac	knowledged, and of the roying, exploring, prospecting, is, roadways, telephone lines	less, alties herein provided and of the agreements of the less drilling, and operating for and producing oil and gas, in , and other structures and things thereon to produce, se
					County, New Maxico, to
		- 1			
191/4 Su/4	, and S/2 S	"/4 Section	3, Township	20S, Range 3	<b>7</b> E
entralia Maria					
					1
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
	170				
Sald land is estimated to compr			actually comprises more	and the second second	
2. Subject to the other provision ng thoreafter as oil or gas is pro	ns herein contained, the	his fease shall remain in	IT TO THE TOTAL OF THE TANK	hree years	from this date (called "primary term") and
				3/16	of that produced and saved from said to
	<ul> <li>الله المتعادل المتع</li></ul>	s constitution of the cons			3/16
ovided that on gas sold on or off		. Parisi	is or other products, the $n = 3/16$		of the gas us allzed from such sale, (c) and at any time when this leas
isten instruments (or certified co habilshed by this gas sales contra t amount received by lessee afte	call as to parties or am error within 30 days aft objes theroof; as are no act untered into in goo er giving effect to appl	y check or draft. Any thouris, shall nevertheld for lossee has received secessary to enable tess on faith by lessee and g licable regulatory orde	recalve the royallies which limitly payment of tender ess be sufficient to preve written notice thereof by see to make prover paym pas purchaser for such ter ars and after application o	ch would be paid under this of shut in royalty which is not remination of this lease certified mail from the party ent. The amount realized fro m and under such condition if any applicable price adjus	s tease if the well ware in fact producing. The payment made in a bona tide altempt to make proper payment, in the same manner as though a proper payment had by by ot parties entitled to receive payment together with a unit he sale of gas on or off the preinteds shall be the pri- balas are customary in the industry. "Price" shall mean rements specified in such contract or regulatory orders.
itien instruments (or certified co tabilished by this gas sales control I amount received by lessee after event lessee compresses, treat event lessee compresses, treat event of the sale of the sale of the sale of the sale of the sale of the sale of the the sale of the sale of the sale of the sale of the the sale of the the the sale of the the the the the the the the	nail às to parities or am arror within 30 days a fro poises theroof jas are no act untered into in goos re glying effect to appliats, purifies, or dehy price a reasonable ch asses shall not be obl sease in force during ph 3 hereot. The promises arror of the market or by a which the premises arror any such unit shall be the tire are to force of the premises arror any such unit shall be the tire are to force of the premises arror as though prind- e instrument in the Co- tary term there is no we also shall be a server on the produced of the produced of the prind- e instrument in the Co- tary term there is no we also shall be produced to octor.	ly check or draft. Any 11 onounts, shall neverthed tor lossee has received eceasary to enable tests of faith by tessee and go faith by tessee and go fleable regulatory order drafts such gas (who is age) for each of such ligated during the primary term; howen time to time, to pool units pooled hereunder units pooled hereunder units of cated and such unconsidered for all pury this lease included in acroage in the land county where the land tounty where the land county where the land to only where the land to go yas, so long the after this fease shall not term suicider result in product and land, except was all land, except was all land, except and county where the land county	recable the royallies which hier payment of tender ass be sufficient to preve written notice thereof by see to make proyer paymes purchaser for such ter irs and after application on their on or off the leased if unctions parformed.  or combine this lease, this provision is not or combine this lease, this shall not exceed the stailty for the pool or area in his may be designated for poses, except the payme any such unit that portionered by this lease includy of royalty, to be the entitled in the terms of this lease in the same than 60 consecut or as oil or gas is produce or as oil or gas is produce or as oil or gas is produce continue if leasee comment of this lease that the form of this lease that the form of this lease that the form of this lease that this lease of the tribm lease of safe the form leason's wells are the form leason's well are the form leason's well are the form that the form form the form t	chi would be paid under this of shut in royalty which is not sumination of this lease icertified mail from the paid; ent. The amount realized from and under such condition if any applicable price adjust premises) or transports generice or continue any operationated to reflex lease of land covered by it or any production of the lot of royalty, as operations on of the lotal production of a continue and either bottom of a country and the lotal production of the lotal production of a continue production of a continue production of a continue production of a continue and either bottom of a continue production of a continue production of a continue production of a continue production of a continue and all the second operations for additional production said from said fand. If, after these operations for additional remain in full force so lond tanks, for all operations to	is lease if the well ware in fact producing. The payment made in a bonaltide altempt to make proper payment, in the asme minner as though a proper payment had be yot parties entitled to receive payment together with a sum the sale of gas on or off the premises shall be the prise as are customary in the industry. "Price" shall mean interest specified in such contract or regulatory orders as off the leased premises, tessee th computing royal attents of whatsoever character or to make any payments the obligation to pay royalities on actual production prises the obligation to pay royalities on actual production pay and or horizon thereof with any other land, leases, minely law or by the Oil Conservation Division of the Energy at jobus a tolerance of ten percent. Lessee shall file writing operations of a step of the percent. Lessee shall file writing operations of a step of the percent. Lessee shall file writing operations of a step of the completion of the land described pooled minorals from wells in the unit, the production nerals from the poilion of saud land covered hereby and intend by lessee, as provided herein, may be dissolved thole or the cessation of production on said unit, and operations for drilling or reworking thereon, this lead coperations for drilling or reworking thereon, this lead contents of the primary term, all wells upon said last drilling or for reworking within 60 days the said the hereunder, and the royalty shall be computed after door hereunder, and the royalty shall be computed after door.
itien inalizaments (or certified co Inbilished by this gas sales contral I amount received by lessee after event fessee compresses, trei resurder may deduct from such.  4. This is a paid up lease and le reunder in order to maintain this ant to trie provisions or Paragra, and to trie provisions or Paragra, and to trie provisions or Paragra, or parts thereby granted the lates or parts thereby granted to or, production from any part of a sicase. There shell be allocated the lates or unit operations, who called has for unit operations, who called has for unit operations, who called has for unit of the production of the principal to the production of the production of the principal difference or batter of years that have the sale and remove all casing Willers and remove all casing Willers and remove all casing without in the principal diveiling in any residence or bath now on sale has in the principal diveiling the man call direction of the principal diveiling in the principal diveiling the sale that in the principal diveiling the sale call has in the principal diveiling the sale call that the s	nail às to parities or am internal him 30 days att poises theroof pas are act untered into in goo er giving effect to appliats, purilles, or dehy price a reasonable ch assee shall not be obli sease in force during apph 3 hereol. I sight and powar, from duction of off or gas. Lo of New Mexico or by a which the pramises are any such unit shall be lit of the land covered by the him et off or gas ill purposes. Including annor as though prid e instrument in the Co interpretable of the existing and the sease interpretable of oil or using for any cause, the original said and are the color of the color of any and price the right and the production of oil or using for any cause, the original said and the color of the color of the color of the color of the production of oil or using for any cause, the color of the right and any the required to years, color of and and without lessor areon, out of any sure areon, out of any sure areon.	y check or draft. Any 19 nounts, shall neverthed tor lossee has received eceasary to enable test of faith by tessee and go faith by tessee and go fleablo regulatory order draftes such gas (whetharge for each of such ligated during the primary term; how in time to time, to pool of units pooled hereunder any other lawful author resourced for all pury this losse included in archage in the land of the payment or deliver used from said land unounly where the land in eit upon said tand caps the said that the such for said said the said with no cassation or gas, so long therafte munder result in product and and, except was judicial or after the existence of the said said and and and and are said and units lessee shall not term suidar result in product and after the existence of the said and and except was judicial or after the existence of the said and and except was judicial or after the existence of the said and the sai	recable the royallies which inferly payment of tender ess to sufficient to preve twritten notice thereof by see to make proper paymes purchaser for such ter and after application of their on or off the leased if unctions parformed.  or combine this lease, this provision is not or combine this lease, this provision or area in first may be designated for poses, except the payme any such until that portionered by this loss a including of crystiff, to be the entillar in the terms of this lease in the provision of the see commence of a oil or gas is produced in the provision of this lease shifter from lessor's wells are spiration of this lease to ince on cultivated lands by all have the privilege, at his operations the conduction of the provision of the provision of the conduction.	ch would be paid under this of shut in royalty which is not termination of this lease certified mail from the paid; ent. The amount realized from and under such condition in any applicable price adjust premise) or transports givened to continue any operational process of the paid of the paid of the paid of the process of the paid of the unit bears to the to the paid of the unit bears to the to the paid of the unit design ter the completion of a degree of the paid of the	s lease if the well were in fact producing. The payment made in a bona title attempt to make proper payment, in the same manner as though a proper payment had be your parties entitled to receive payment together with a some manner as though a proper payment had be your he sale of gas on or off the premises shall be the prise as are customary in the industry. "Price" shall mean it impents specified in such contract or regulatory orders as off the feased premises, lesses in computing royal ations of whatsoever character or to make any payment in the obligation to pay royalties on actual production private or horizon thereof with any other land, leases, mine y law or by the Oil Conservation Division of the Energy at just a tolerance of the percent. Lesses shall the written or after the completion of wells. Diffing operation conducted upon or production from the land described pooled, minarals from wells in the unit. If the production needs by lesses, as provided herein, may be dissolved inhole or the cessation of production on hald unit. In expension of the production on hald unit is ead operations for driffling or reworking thereon, this lead colons on the same well or on a different or addition he expiration of the primary term, all wells upon said laid driffling or for reworking althin 60 days theselfer is song thereafter as oil or gas is produced hereunder increased by lesses on said land, including the right individual or the said shall be drilled within the hundred feet 2000.
itien instruments (or certified contribulished by this gas sales contret tambount received by lesses after a sevent lesses compresses, treis event lesses and le reunder may deduct from such 4. This is a paid up lesse and le reunder in order to maintain this ant to trie provisions or Paragra, 5. Lesses is hereby granted the lates or parts thereby granted the provisions or parts thereby granted the provisions or parts thereby granted the provision from any part of a siceae. There shall be aniocally of its first the sale of the	nail às to parities or am principal pas are ni act untered into in goo er giving effect to appli part purilles, or dehy price a reasonable ch assess shall not be obli sease in force during aph 3 hereol. I sight and powar, from Juction of offer gas. Le or New Mexico or by a which the pramises are any such unit shall be in the land covered by the him custoff or gas the production of oil or we will be the pramises are any such unit shall be in the land covered by the him custoff or gas the production of oil or using for any cause, the country term there is no we stations are prosecut the production of oil or using for any cause, the country term the offer and water the country term the country term and had water the required by lesson, less are on, out of any surp sundair may he accipied to offer the country of protection to core assigns or fall to core to to complying with or to to complying with and to the property complying with and to the property complying with and to the property complying with and the property complete the property complete the property complete the property complete the property complete the property the proper	y check or draft. Any the counts, shall neverthed eccasing to enable test of a faith present of the present	recable the royallies which linely payment of tender ease to sufficient to preve twritten notice thereal by see to make proper paymes purchaser for such ter and after application of their on or off the leased it unclions parformed.  or combine this lease, the rehalf not exceed the state of the provision is not or combine this lease, the rehalf not exceed the state of the property of the pool or area in high seed to the poses, except the payme any such until that portionered by this lease included in any such until that portionered by this lease in the poses, except the payme and the terms of this lease in the poses, except the payme and the form of the seed commend the same of the poses, except the payme and the terms of this lease in a situated at any time a sale of producing oil or gas is produced as all have the previous wells are primited in the terms of this lease on the privilege, at her contraction, then this lease to ince any purpose until 30 gas for	ch would be pald under this of shut in royalty which is not termination of this lease certified mail from the party ent. The amount realized from and under such condition in any applicable pice adjust premises) or transports greened or continue any operational transports greened or continue any operations of all the transports greened or continue and either be not of royally, as operations on the folial production of ped in the unit bears to the least not the unit bears to the least not only to the production of pooled military for the completion of a dry as, but lesse has commending days, whether such operations for additional remove all property and flat remain in full force so least end tanks, for all operations in days, after lasse has been he days after lasse has been had configurat tesser, if any stall to this estate or to his essignment of this lease in 10 shall fall or make default in default shall not affect this from conducting drilling or	ed operations for drilling or reworking thereon, this lead reations be on the same well or on a drillerent or addition he expiration of the primary term, all wells upon said laid drilling or for reworking within 60 days thereafter it a ong thereafter as oil or gas is produced hereunder hereunder, and the royalty shall be computed after document placed by leasee on said land, including the right ind no well shall be drilled within the hundred real 1200 is a part of the real shall be drilled within the hundred real 1200 is a part of the real shall be drilled within the hundred real real shall be drilled the hold for stokes and fins it rectures, administrators, successors and assigns, out the shall operate to enlarge the obligations or dishinish it furnished by certified mail at leases's principal place in change in ownership occurs through the dealing it there, executor or administrator until such time as less whole of in part shall, to the extent of such assignment to proportionate part of royalty or shall not preventing operations hereunder, or from producing oil reworking operations hereunder, or from producing oil
itien inalizaments (or certified co Inbillahed by this gas antiso control Inbillahed by this gas antiso control I amount received by lessee after event (essee compresses, treatment of the many deduct from such insuring may deduct from such insuring may deduct from such insuring the provisions or Paragra.  4. This is a paid up lesse and lettern to the provisions or Paragra.  5. Cessee is hereby granted the lates or parts thereof for the provisions or parts thereof for the provisions or production from any part of a cryptoduction from any part of a sitiate or interpretation of the State or production from any part of a siste or unit operations. We note that the arriver in the same may see by recording an appropriate see by recording an appropriate see the state of the production of the productio	mail às to parities or amistre within 30 days after prices thereoft as are no act untered into in good are quiving effect to applicate, purifies, or dehy price a reasonable chessee shall not be obtained and the processes of the production of offer or gas. Lotter any such unit shall be to the fand covered by thich the premises are any such unit shall be instrument in the Creaty term there is no we have a such as a product to using for any cause, though price either the production of oil outing for any cause, though go and and without tessor are on, out of any surplement in the Creaty term there is no werallong and without the production of oil outing for any cause, though go are the right at any surplement in the Creaty term there is no were allowed and and without tessor are on, out of any surplement or crediting operations here of the control of any surplement or relation of any surplement or relation of the control of any surplement of any such cause fro yithing in this lease to by any such cause from yithing in this lease to appress to defend the if ed to such tien with this lease to reall to come of the outing of the cause from yithing in this lease to appress to defend the if ed to such tien with this lease to reall to come of the outing of the outing over the part of the outing the outing the part of the outing	ly check or draft. Any the counts, shall inventible to rounts, shall inventible to rounts, shall inventible test of rounts, shall inventible test of a faith by tessee and go faith by tessee and go fleablo regulatory order drafts such age (who harge for each of such ligated during the primary term; however, the primary term; however, the primary term; however, and the considered for all pury this loase included in acroase in the land control of the payment or deliver used from said tand unounly where the land to control or payment or deliver used from said tand unounly where the land to go gas, so long the raften suited and the coastant of the land to gray, so long the raften suited from said tand, cape the will bury all pipe if it is consent. Lessor shall not term suited and the coastant of the primary and the properties as a lot the energia. The properties as a lot the energia on the properties as a lot the energia of the control of the	recable the royallies which infered promote of the control of the	ch would be pald under this of shut in royalty which is not termination of this lease icertified mail from the pair, sent filed mail from the pair, and under such condition in and under such condition in and under such condition in and under such condition if any applicable price adjust premised to transports greened or continue any operational intended to relieve lease of and covered by it or any production of production of the said land is situated mit the total production of paid in the unit bears to the total production of paid in the unit bears to the total production of paid in the unit bears to the total production of paid in the unit bears to the total production of paid in the unit bears to the total production of a cry as, but lesses has commenciate days, whether such operations for additional remain in full force so lead tanks, for all operations for additional remove all property and lixtuellow ordinary plow depth, a is risk and expense, of using the paid of the paid to their halfs, each of some conducting drilling or the ordinary to the paid to the paid of	s reads if the well ware in fact producing. The payment made in a bora title attempt to make proper payment, in the same manner as though a proper payment had be yet parties shillied to receive payment together with a use mit he sale of gas on or off the premises shall be the prise as are customary in the industry. "Price" shall mean it impents specified in such contract or regulatory orders as off the feased premises, tessee in computing royal attents of whatsoever character or to make any payment in the obligation to pay royalities on actual production part or horizon thereof with any other land, leases, mine yiaw or by the Oil Conservation Division of the Energy at jobs and the obligation to pay royalities on actual production pays or by the Oil Conservation Division of the Energy at jobs are the completion of wells. Diffing operation conducted upon or production from the land described pooled minarials from wells in the unit. The production reartly feel to the period. Leases shall fill write a payment of surface acres in the unit. The production reartly feel to the period of the considered with a production of and land covered hereby, and nearly feel to the cessation of production on all durit. The production of the primary term, all wells upon said at diffling or for reworking within 60 days thereafter as oil or gas is produced hereunder the expiration of the primary term, all wells upon said at diffling or for reworking within 60 days thereafter as oil or gas is produced hereunder interested by leasee on said tand, including the right ind no well shall be diffied within the Diundred rear 1200 is down and institution of the primary term, all wells upon said to the expiration of the primary term, all wells upon said to the said to the production of the primary term, all wells upon said to the first and the organic and the object of the constituted herein as primary term and the organic and the org
itien instruments (or certified co Intelligible) by this gas sales contret tamount received by lessee after a amount received by lessee after the burner received by lessee after the burner received by lessee after the world received by lessee and lessee the burner received by lessee and lessee and lessee is breeby granted the lassee is breeby granted the process of parts thereof for the process of parts and the sale of parts of the State of production from any part of a sicker of the process of the sale o	nail às to parities or am arter in kinn 30 days after in kinn 30 days after poies thereof pas are no act untered into in goo art untered into in goo art giving effect to appliats, purifies, or dehye price a reasonable ch assee shall not be obl stease in force duting aph 3 hereof.  Thight and powar, from duction of ofter gas. Lo of New Mexico or by a which the premises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remove the following annor as though prind- e instrument in the Creaty term there is no werations able to cling as and water from the right at any tight required by telesof, les and land without tessor arealistic for the second to the right at any tight and and without tessor arealistic for the second to the right at any tight and and without tessor and and the tight at any tight of his lease to the the cover any tight of his lease to the property comply or to come complying with ar tigy or hability to othal white so prevented, les by any such cause fro grating in this lease to the tight and assigns, she testor by placing at the start of the start of by the start of the start of the start the start of the	ly check or draft. Any the counts, shall inventible to rounts, shall inventible to rounts, shall inventible test of partially by tested and greatly or equilatory order drafts such age (which arge for each of such ligated during the primitive primary term; hower the primary term; hower the primary term; hower the primary term; hower any other lawful author reforced and such unconsidered for all pury this lease included in acrossed in the land control of the payment or deliver used from said land unconty where the land to considered for all pury this lease included in acrossed in the land control of the land of t	recable the royallies which infered promote the control of the con	ch would be pald under this of shut in royalty which is not termination of this lease of shut in royalty which is not termination of this lease overtified mail from the pair, and under such condition in and under such condition in and under such condition if any applicable price adjust premised to transports greened or continue any operational intended to relieve lease of and covered by it or any production of production of the said land is situated mit the total production of lead in the unit bears to the least in the completion of a cry ground in the completion of a cry as, but lease has commenced in the unit bears to the least in the unit of the production of pooled mit asse. Any pooled unit design liter the completion of a cry as, but leases has commenced in the unit bears to the least of the productions for additional remain in full force so lead tanks, for all operations for additional remain in full force so lead tanks, for all operations of additional remain in full force so lead tanks, for all operations of additional remain in full force so lead tanks, for all operations of additional remain in the file and lease in the original tessor. If any such that is a sea to the producting of the passing ment of this lease in the passing of the p	is lease if the well ware in fact producing. The payment made in a bona title attempt to make propre payment, in the same manner as though a proper payment had be yor parties entitled to receive payment together with a sum the sale of gas on or off the premises shall be the prise as are customary in the industry. "Price" shall mean imments specified in such contract or regulatory orders as off the feased premises, leases in computing royal attentions of whatsoever character or to make any payment of the obligation to pay royalities on actual production prise the obligation to pay royalities on actual production prise to horizon thereof with any other land, leases, mine y law or by the Oil Conservation Division of the Energy at payment by the Oil Conservation Division of the Energy at payment by the Oil Conservation Division of the Energy at payment by the Oil Conservation Division of the Energy at payment of the determinant of the production from the land described pooled minarals from wells in the unit. The production conducted upon or production from the land described pooled minarals from wells in the unit. The production nearls from the potition of saul land covered hereby and ented by tessee, as provided herein, may be dissolved inhele of the cessation of production on hald unit. The production he expiration of the primary ferm, all wells upon said laid diffling or for reworking attentions days thereafter it along thereafter as oil or gas is produced hereunder hereunder, and the royality shall be computed after docures placed by leasee on said tand, including the right and productions, and the production as payment of the primary ferm, all wells upon said laid diffling or for reworking within and interest to hald and or stoves and inside the change in remember on said tand, including the right and payment of the primary ferm, all wells upon said laid within the hundred after docures placed by leasee on said tand, including the right in formation of the primary gas well and approved the payment of the prima
iten instruments (or certified co- tabilished by this gas sales contre- amount received by lessee after event tessee compresses, tre- event tessee is provisions or Paragra.  This is a paid up lesse and le event to tree provisions or Paragra.  Lessee is hereby granted the sites or parts thereof for the pro- events Department of the state of the sale vinit operations, who cated shall be considered for al- face by recording an exprogriate if at the expitation of the price to events of the pro- events of the pro- events of the pro- events of the price testee use of any an isod Lessee shall have tree use of the sale than the tree use of any an isod Lessee shall have any raisonce of bean now one as in the principal divelting the the rights of either party here not in the consisted with evidence the side of the price of the sidence the side of the price of the sidence the sidence of the sidence the side	nail às to parities or am arter in kinn 30 days after in kinn 30 days after poies thereof pas are no act untered into in goo art untered into in goo art giving effect to appliats, purifies, or dehye price a reasonable ch assee shall not be obl stease in force duting aph 3 hereof.  Thight and powar, from duction of ofter gas. Lo of New Mexico or by a which the premises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remises ar any such unit shall be to the fand covered by thich the remove the following annor as though prind- e instrument in the Creaty term there is no werations able to cling as and water from the right at any tight required by telesof, les and land without tessor arealistic for the second to the right at any tight and and without tessor arealistic for the second to the right at any tight and and without tessor and and the tight at any tight of his lease to the the cover any tight of his lease to the property comply or to come complying with ar tigy or hability to othal white so prevented, les by any such cause fro grating in this lease to the tight and assigns, she testor by placing at the start of the start of by the start of the start of the start the start of the	ly check or draft. Any the counts, shall inventible to rounts, shall inventible to rounts, shall inventible test of partially by tested and greatly or equilatory order drafts such age (which arge for each of such ligated during the primitive primary term; hower the primary term; hower the primary term; hower the primary term; hower any other lawful author reforced and such unconsidered for all pury this lease included in acrossed in the land control of the payment or deliver used from said land unconty where the land to considered for all pury this lease included in acrossed in the land control of the land of t	recable the royallies which infered promote the control of the con	ch would be pald under this of shut in royalty which is not termination of this lease of shut in royalty which is not termination of this lease overtified mail from the pair, and under such condition in and under such condition in and under such condition if any applicable price adjust premised to transports greened or continue any operational intended to relieve lease of and covered by it or any production of production of the said land is situated mit the total production of lead in the unit bears to the least in the completion of a cry ground in the completion of a cry as, but lease has commenced in the unit bears to the least in the unit of the production of pooled mit asse. Any pooled unit design liter the completion of a cry as, but leases has commenced in the unit bears to the least of the productions for additional remain in full force so lead tanks, for all operations for additional remain in full force so lead tanks, for all operations of additional remain in full force so lead tanks, for all operations of additional remain in full force so lead tanks, for all operations of additional remain in the file and lease in the original tessor. If any such that is a sea to the producting of the passing ment of this lease in the passing of the p	is lease if the well ware in fact producing. The payment made in a bona title attempt to make proprie payment, in the same manner as though a proprier payment had be yet propried as the propried payment had be yet in the same manner as though a proprier payment had be yet in the same of gas on or off the premises shall be the primary as as are customary finishe industry. "Price" shall mean it impers a sare customary finishe industry. "Price" shall mean it impers a sare customary finishe industry. "Price" shall mean it impers as off the feased premises, tessee in computing royal attents of whatsoever character or to make any payments to the obligation to pay royalties on actual production pay to the obligation to pay royalties on actual production part or horizon thereof with any other land, leases, mine yet wor by the Off Conservation Division of the Energy at Jalva at clerance of ten percent. Lessee shall the writt popular at the completion of wells. Diffling operation conducted upon or production from the family agreed about many after the completion of wells. Diffling operation conducted upon or production from the family described pooled minarials from wells in the unit, after deducting a parallel with the polition of said fand covered hereby and neated by lessee, as provided herein, may be dissolved inole of the cessation of production on fall unit, and the position of said fand covered hereby and neated by lessee, as provided herein, may be dissolved inole of the cessation of production on fall unit, and the payment of the primary farm, all wells upon said fail diffling of for reworking white folds as the payment of the primary farm, all wells upon said fail diffling of for reworking white folds as the principal place of placed by lessee on said fand, including the right and of the primary farm, all wells upon said fail diffling of for reworking white here of the principal place of change in conversible occurs through the dealing of the principal place of the cessation of the primary farm, all wells upon

This 3rd day of September, 1981

My Commission Expires 10/16/83

Executed the day pour year first shove written.

Holvin H. Minor, Sr., Attorney-in-fact for Kelwin H. Magner, Jr.

Soc. Sec. Ilo.

ein called lessor (whether one or more) and E. M. Gorence  Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here ein contained, hereby grants, lesses and lets exclusively unto lesses for the purpose of investi gras, waters, other fluids, and all into subsurface strata, laying pipe lines, storing cil, building to e care of, treat, process, store and transport said minerals, the following described land in  NW/4 SW/4 and S/2 SW/4 Section 3, Townsh	igating, exploring prospecting, drilling, and operating for and producing oil and gatenks, roadways, telephone lines, and other structures and things thereon to produc  LCQ  County, New Mexico
L. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is have ein contained, hereby grants, feases and lets exclusively unto lesses for the purpose of investi gras, waters, other fluids, and all into subsurface strata, taying pipe lines, storing oil, building to e care of, treat, process, store and transport said minerals, the following described land in	re acknowledged, and of the royaliles herein provided and of the agreements of the ligating, exploring prospecting, drilling, and operating for and producing oil and gatenks, roadways, telephone lines, and other structures and things thereon to produc LOQ County, New Mexico
. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is her ein contained, hereby grants, leases and lets exclusively unto lesses for the purpose of investing gas, waters, other fluids, and all into subsurface strata, laying pipe lines, storing oil, building the care of, treat, process, store and transport said minerals, the following described land in	igating, exploring prospecting, drilling, and operating for and producing oil and gatenks, roadways, telephone lines, and other structures and things thereon to produc  LCQ  County, New Mexico
9 Cas, waters, other fluids, and all Into subsurface strata, laying pipelines, storing cil, building t e Care of, treat, process, store and transport said minerals, the following described land in	tenks, roadways, terephone lines, and other structures and things thereon to produc  Lea  County, New Mexico
	Willy, Haw makes
NW/4 SW/4 and $S/2 SW/4 Section 3, Townsh$	Anna de Com
	iip 20S. Range 37E
120	
aid land is estimated to comprise	three years from this date (called "primary tarm")
The royalties to be paid by lessee are; (a) on oil, and other figuld hydrocarbons saved at the well	oted. 3/16
to be delivered at the Actis or to the credit of lessor in the pipeline to which the wells may be	be connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (b) on gas, including casinghead gas or other gaseous substance programmes and the connected; (c) on gas, including casinghead gas or other gaseous substance programmes and the connected; (c) on gas, including casinghead gas or other gaseous substance programmes and the connected; (c) on gaseous and the connected gaseous gaseous and the connected gaseous gas
n said land and used off the premises or used in the manufacture of gasoline or other products.	out was known as the Maria and Control of the fla
vided that on gas soid on or off the premises, the royallies shall be//////	I the amount realized from such 22's fet and at any time when this feared pooled therawith, but gas or condensate is not being so sold or rushul and a tent in a pool to realize at annual intervals, lessee may pay or lender an advance should
at to \$1.00 per net acre of Jessor's gas acreage then held under this lease by the party making. If not ferminate and it shall be considered under all clauses hereof that gas is being produced fo	such payment or tender, and so long as said shut in royalty is paid or tendered, thi
he party or puriles who at the time of such payment would be enlitted to receive the royalties der of royalties and structin royalties may be made by check or draft. Any timely payment or ter	i which would be paid under this lease if the well were in fact producing. The payr inder of shut in joyally, which is made in a bona lice attempt to make proper payme.
ch is erroneous in whole or in part as to parties or amounts, shall nevertheless be sufficient to p te ti lossee shall correct such error within 30 days after lessee has received written notice there	of by certified mail from the party or parties entitled to receive payment together wit
ten inatruments for cerrilled copies thereof) as are necessary to enable tessee to make proper p ablished by the gas sales contract entered into in good faith by lessee and gas purchaser for suc	ch ferm and under such conditions as are customary in the Industry. "Price" shall me
amount receiveu by tessee atter giving effect to applicable regulatory orders and after applicati e-ent lessee compresses, treats, purilles, or dehydrates such gas (whether on or off the le sunder may deduct from such price a reasonable charge for each of such functions performe	eased premises) or transports gas off the feased premises, lessee in computing
This is a paid up lease and losses shall not be obligated during the primary term hereof to c	commence or continue any operations of whatsoever character or to make any pay
sunder in order to maintain this lease in force during the primary ferm; however, this provision I not to the provisions or Paragraph 3 hereof.	กรางสามารถสหาราช เหมือนให้ เป็นสามารถสามารถสามารถสามารถสามารถสามารถสามารถสามารถสามารถสามารถสามารถสามารถสามารถส
Lessee is hereby granted the right and power, from time to time, to pool or combine this leas tied or paris Thereof for the production of oll or gas. Unils pooled hereunder shall not exceed the erals flopariment of the State of New Moxico or by any other lawful authority for the pool or ar	e standard proration unit fixed by law or by the Oil Conservation Division of the Ener
design allons in the county in which the premises are irrested and such units may be designated production from any part of any Thunit shall be considered for all purposes, except the designation production from any part of any	ed from time to time and either before of after the completion of wells. Drilling ope
lease. There shall be allocated to the land covered by this lease included in any such unit that p d in lease or unit operations, which the not oit or gas acreage in the land covered by this lease in	idition of the total production of pooled micerals from wells in the unit, after deducti
cated shall be considered for all purposes, including the payment or delivery of royalty, to be the fed in said unit in the same manner as though produced from said land under the terms of the	its tease. Any pooled until designated by teasee, as provided herein, may be dissol
iee by recording an appropriate instrument in the County where the land is situated at any tife. If at the expiration of the primary form there is no well upon said land capable of producing oil.	For gas, but lessee has commented operations for drifting or reworking thereon, thi
Il ramain in force so long as operations wie prosecuted with no cessation of more than 60 cons Lot wells, and if they result in the production of oil or gas, so long therafter as oil or gas is pro	oduced from said land. If, after the expiration of the primary term, all wells upon sa
uld become incapable of producing for any cause, this lease shall not terminate if leases com- ing, additional dilling, or reworking operations hereunder result in production, then this leas	se shall remain in full force so long thereafter as oll or gas is produced hereunder
Lessoe shall have free use of off, gas and water from said land, except water from lessor's we have so used. Lessoe shall have the right at any time during or after the expiration of this leas	se to remove all property and fixtures placed by lesses on said land, including the
wand remove all casing. Withour réquired by lecant, lessee will bury all pipe lines on cultivated far ny résidence or barn now on said land without lessor's consent. Lessor snau have the printege is in the principal dictiling thereon, out of any surplus gas not néeded for operations hereur.	s, at his risk and expense, of using gas from any gas well on said land for stoves and
The rights of either party hereunder may be assigned in whole or in part and the provisions he	reof shall extend to their heirs, executors, administrators, successors and assigns,
nge in the connestip of the land or in the ownership of, or rights to receive, royantes of shut in is of lessoe, and no such change or division shall be plinding upon lessee for any purpose un inoss with acceptable instruments or certilled copies thereof constituting the chain of title in	itti 30 days after ilessed has been furnished by certifled mall at lessee's principal p
er, lessee may, at its option, pay or tender any royalities or shut-in royalities in the name of the d been furnished with evidence sallslactory to lessee as to the persons entitled to such sums.	leceased or to his estate or to his helrs, executor or administrator until such time as
are and discharge lessee of any obligations hereunder and, if lessee or assignee of part or parts bysity due from such lessee or assignee or fall to comply with any of the provisions of this lease.	hereof shall fall or make default in the payment of the proportionate part of royalty of
ies or any assignes thorat shall propally comply or make such payments. . Should losses be prevented from complying with any express or implied covenant of this leas	se, or from conducting drilling or reworking operations hereunder, or from producing
herounder by reason of acarelty or inability to obtain or use equipment or material, or by ope trinentmental authority, their white so provented, leases's duty shall be suspended, and trasec	e shall not be liable for fallure to comply therewith; and this lease shall be extended
so long as lessee is prevented by any such cause from conducting drilling or reworking operations counted against lessee, anything in this tease to the contrary notwithstanding.	
Lessor hereby warrants and agrees to defend the title to said land end agrees that lossee at se does so it shall be subrogoted to such lien with the right to enforce same and to apply royalti	les and shut in royalties payable hereunder toward satisfying same. Without impaire
ee's rights under the warranis. If this lease covers a less interest in the oil or gas in all or any pa tin specified or not) then the royaltles, shut in royalty, and other payments, if any, accruing from portion which the interest therein. If any, covered by this lease, bears to the whole and undividen	n any part as to which this lease covers less than such full interest, shall be paid only
to execute this tease, it shall revertheless be binding upon the party or parties executing the Lessee, its of his successors, heirs and assigns, shall have the right at any time to surrender	e same.
ualling a release thereof to the lessor, or by placing a release thereof of record in the county in w If implied, of this agreement as to acreage so enriendered, and therefor the shut in royally paya	vhich said land is situated; thereupon tessee shall be relleved from all obligations, e
y seld Helease or releases.	
Courted the day and year first above written.	4/ 4 00
	Kay chung Shumer

THIS AGREEMENT Made this 31st day of August  Jane L. Andrus, dealing in her sole and se	parate property, Box 307, Hagerman, III:
	(Post Office Address)
herein called tessor (whether one or more) and	here acknowledged, and of the royaltles herein provided and of the agreements of the fesse estigating, exploring, prospecting, drilling, and operating for and producing oil and gas, injer
ing gas, wareis, curer illings, end air into subsuriace a rees, reying pipe lines, storing oil, buttor lake care of, troat, process, atore and transport said minerals, the following described land in	Lea County, New Mexico, to wi
NW/4 SW/4 and S/2 SW/4 Section 3, Towns	hip 20S, Range 37E
$\mathbf{v}_{\mathbf{v}} = \mathbf{v}_{\mathbf{v}} + $	
Said land is estimated to complise 120 acres whether it actually comprise	
The same of the sa	The state of the s
<ol> <li>Subject to the citier provisions herein contained, this lease shall remain in force for a termiong thereafter as oil or gas is produced from said land or from land with which said land is p</li> <li>The royalties to be paid by lessee are: (a) on oil, and other liquid hydrocarbons saved at their</li> </ol>	pooled. 3/16
ame to be delivered at the wells or to the credit of lessor in the pipeline to which the wells ma	ay be connected; (b) on gas, including casinghead gas or other gaseous substance produce
forms and fand and used off the premises or used in the manufacture of gapoline or other product roylded that on gas sold on or off the premises, the royalities shall be $3/16$	of the amount raphy of from such asterior and it and there is both to take the
iot validated by ethor privisions hereof and there is a gas and/or condensate well on said land, hut in, either before or after production therefrom, then on or before 90 days after said well is s	, or land pooled therewith, but gas or condensate is not being so sold or used and such well it shut in, and thereafter at annual intorvals, lesses may pay or tender an advance shut in royals
qual to \$1.00 per net acre of teasor's gas acreage then held under this lease by the party makin half not terminate and it shalf be considered under all clauses hereof that gas Is being produce o the party of partier who at the thing of buth narment would be entitled to receive the reyall	ed from the leased premises (a paying quantities. Each such payment shall be paid or tendere
ander of royalties and shot-in royalties may be made by check or drain; Any limitly payment or which is erroneous in whole or in part as to parties or amounts, shall nevertheless be sufficient in	r tender of shill in royally which is made in a bona fide attempt to make proper payment had bee to prevant termination of time rease in this same manner as though a proper payment had bee
nade il lessee shall corroct such error within 30 daya alter lessee has recolved written notice thi ritten instruments (or certified copies theteof) as are necossary to enable lessee to inake propi stablistied by the gas suice confract enlered Into In good failh by lessee and gas purchaser for	er payment. The amount realized from the sale of gas on or off the premises shall be the pric
et amount received by lessee after giving effect to applicable regulatory orders and after applic he event lessee compresses, treats, purifies, or dehydrates such gas (whether on or off the	ication of any applicable price adjustments specified in such contract or regulatory orders. It is leased premises) or transports gas off the leased premises, leasee in computing royall
ereundar may deduct from such price a reasonable charge for each of such functions perfor 4. This is a paid up lease and losses shalf not be obligated during the primary term horse!	to commence or continue any operations of whatsoever character or to make any payment
seeunder in order to maintain this lease in forcer? ving the primary term; however, this provisiousnt to the provisions or Paragraph 3 hereof. 5. Lessee is hereby granted the right and power, from time to time, to pool or combine this is	그래요요요 그 그리는 그는 사람이 그리는 유리를 보냈다.
states or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed therals Department of the State of flew Mexico or by any other lawful authority for the pool o	d the standard proration unit fixed by law or by the Oit Conservation Division of the Energy an or area in which said fand is situated, plus a toferance of ton percent. Lesses shall file writte
nit designations in the county in which lie grentless are located and such units may be design n or production from any part of any such unit shall be considered for all purposes, except the his leaso. There shall be silocated to the land covered by this lease included in any such unit tha	e payment of royalty, as operations conducted upon or production from the land described (
sed in lease or unit operations, which the net oil or gas acroage in the land covered by this leas liocated shall be consistered for all purposes, including the payment or delivery of royalty, to be	is included in the unit bears to the total number of surface acres in the unit. The production s a the entire production of pooled mineral's from the portion of said land covered hereby and fr
luded in sald unit in the same manner as though produced from said land under the terms of issee by recording an appropriate inatrument in the County where the land is afficiated at any -8. If at the expiration of the primary form thore is no well upon said tand capitate of producing	time after the completion of a dry hole or the cessation of production on said unit
hall remain in force so long as operations are prosecuted with no cossation of more than 60 c ell or wells, and it they result in the production of oil or gap, so long therafter as oil or gap is	onsecutive days, whether such operations be on the same well or on a different or additional produced from sald land. If, after the expiration of the primary term, all wells upon sald lan
hould become 'neapatile of producting for any cause, this lease shall not terminate if fessee co ribing, additional drilling, or reworking operations hereunder result in production, then this to	ease shall remain in full force so long thereafter as oil or gas is produced hereunder.
7. Lossoe shall have free use of oit, gas and water from paid land, except water from lessor's ing any so used. Lessee shall have the right at any time during or after the expiration of this to have and remove all casting. When required by lessor, lessee will bury all pipe lines on cultivated.	ease to remove all property and fixtures placed by leasee on sald land. Including the right t
l any residence or barn now on said land without lassor's consent. Leasor shall have the privile ghts in the principal dwelling thereon, out of any surplus gas not needed for operations here	ege, at his risk and expense, of using gas from any gas well on said land for stoves and inside eunder.
e. The rights of either party leteralder that be easigned for whole or In part and the drovisions hange in the ownership of the fand or in the ownership of, or rights to receive, royalles or shu ghts of lesson and no such change or division shall be binding upon lessee for any purpose	it in royalties, however accomplished shall operate to enlarge the obligations or diminish th
usiness with acceptable instruments or certified copies thereof constituting the chain of title wher, lessee may, at its option, pay or tender any royalties or shut in royalties in the name of th	e from the original lessor. If any such change in exitership occurs through the death of the ledeceased of to his estate of to his helds, executor of administrator until such time as lesse
as bean funitshed with evidence salisfactory to leasee as to the persons entitled to such sur likeva and discharge lessee of any obligations hereunder and, it leasee or assignee of part or pa (17) alty due from such leasee or assignee or fail to comply with any of the provisions of this ter	gits hereof shall fall or make default in the payment of the proportionate part of royalty or shu
asse or any essignes there: shall properly comply or make such payments.  9. Should lessee he prevented from complying with any express or implied coverant of this to	M. M. N. C. (1984) C. C. M. S. S. S. C. C. C. (1984) C.
as hereunder by reason of scarcity or inability (so obtain or use equipment or material, or by overmentmental authority, then while so prevented, lessee's duty shall be suspended, and les no so long as lessee is prevented by any such cause from conducting drilling or reworking open	operation of force majeure, or by any Federal or state law or any order, rule or regulation of usee shall not be liable for fallure to comply therewith; and this lease shall be extended whill
of be counted against lossed, anything in this leasu to the contrary notalitatinding.  10. Leasor hereby warrants and agrees to defend the fifte to said land and agrees that lease	
rasse dons an it afiall be autrogated to such tien with the right to enforce same and to apply roy: Issee's rights under the warranty, if this toase covers a feas interest in the oil or gas in all or any	alties and shut in reyalties payable hereunder toward satisfying same. Without impairment o y part of said land than the entile and undivided fee simple estate (whother lessor's interest t
orein specified or not) then the royalties, shut in royalty, and other payments, if any, accruing fr roportion which the intorest therein, if any, covered by this rease, bears to the whole and undivi ill to execute this lease, it shall nevertheless be binding upon the party or parties executing	ided fee simple estate therein. Should any one or more of the parties named above as lessor
11. Lesseo, its or his successors, heirs and assigns, shall have the right at any time to surrend r mailting a release thereof to the lessor, or by placing a release thereof of record in the county is	fer this lease, in whole or in part, to leasor or his helfs, successors, and assigns by delivering
I or implied, of this agreement as to acreace so surrendered, and therafter the shut in royalty pr 5 by said release or releases.	
and the second s	
	en e
	0 / 0 0
Executed the day and year first above written.	Olan & a down
	Jana I. Andrua
en e	valie ii, indiras
	Soc. Sec. No. 5135 16-915

And the provided prov		OIL & GA	S LEASE	taring the second	
Villago, 2233 Aubumn, Lubbook, Toxas (1946) 194 15  A. Lincop Common Service of the control of t		August			
New Yorkstellstorina was to empty to the St. II. Gotting St. Lister, in equivalentic of TRA AUG Chief DOLLANS in head any except of which it was advantaged and often requires heavy coulded and of his agreement of the process of the				#78 Lubbock II	lobila Home
The state of the control of the August of the Country of the Count	Village, 2232 Auburn, Lub	bock, Texas 79401	79415		
The state of the control of the August of the Country of the Count		of the case of the first of the case of th		of	
1 A state is provident from 1 May Office 1 DOLLARS provident in the active broad and of the topolishe developed of the age accorded to the active broad and the provident according to the state of the according according to the	hardle called to a serial bather and as missis and	E. M. Gorence		(POST OTICE	Addressy
18.1/4 Sit/4 and S/2 Sit/4 Soction 3, Township 20S, Range 37E  Sale bad is ethicated to complex. 120  Locate, whether is established in established in established in established in the second of the	Lessor, in consideration of TEN AND OTHER DOLL / herein contained, hereby grants, lesses and lets exclusive ting gas, waters, other livids, and air into subsurface strat	ely unto tesses for the purpose of im- ta, taking pipe tines, storing off, build	estigating, exploring, prospecting, d ng tanks, roadways, telephone lipes,	dillling, and operating for and	producing oil and gas, false
Said tood is estimated to complete. LOO	tako care of, treat, process, atore and transport said miner	als, the following described land in _	1.04		County, New Mexico, to-wi
Said tood is estimated to complete. LOO	ili. Valida karraa (h. 1911). Li kalida karraa				
2. Subject to the crisis philipsions herein continued, this bears shall steam in forcid for earns of the continued of the con	114/4 SH/4 and 5/2 SH/	4 Section 3, Towns	ship 205, Range 37	Б	
2. Subject to the crisis philipsions herein continued, this bears shall steam in forcid for earns of the continued of the con					
2. Subject to the crisis philipsions herein continued, this bears shall steam in forcid for earns of the continued of the con					
2. Subject to the crisis philipsions herein continued, this bears shall steam in forcid for earns of the continued of the con					
2. Subject to the critic philosistan herein continued, this bears will denote in force for some of the continued of the conti					
2. Subject to the crisis philipsions herein continued, this bears shall steam in forcid for earns of the continued of the con	700				
The third is a state of girt is not obtained from and face of from face with which and took in process.  The trappings to be girt and the process of the produced and save discourse of the produced and save discourse of the produced and save discourse of the process of the produced and save discourse of the produced and save disco	Said land is estimated to comprise 120	acres, whether it actually compri	ses more or less.		
oma to to Christened with a wine or to the Kiell of less oil in the Spelline to Rullsch & with any be connected, by on pain, including call high permission of the spelline shall be appropriately to the spelline of the part of	2. Subject to the other provisions herein contained, this form thereafter as off or gas is produced from said fand o	lease shall remain in force for a term or from land with which said land is		from this date (c	alled "primary term") and a
consisted for any search of the promises or useful in Pernand Section 1. Sect	3. The royalities to be paid by tessed are: (a) on oil, and of sanit to be delivered at the wells or to the credit of tesses	ther liquid hydrocarbons saved at the r in the pipeline to which the wells m	well, 3/10 ay be connected; (b) on gas, including	of that producing casinghead gas or other g	ed and Saved from sald land aseous substance produce
est a highest by other providion hand and these is a gas and/or condensate well on ask land, of inside goode that works, but gas to condensate ask in a not belief to exceed a successful control of the		the state of the s			of the gas used
hall, in gild actioned on the production feed with the common of the com	provided that on gas sold or or off the premises, the royalt	les shall be 3/16	of the amount rea	lized from such sale; (c) and a	tany time when this lease i
et the party of parties and on the later of two payments would be entitled in record that cross the later of the self-with and the later of the self-with self-with the se	shu) in, pilher balore or alter production therefrom, then o equal to \$1.00 per not ente of fightor's got stotage likelities	on or belore 90 days after said well is bid under this lease by the party mak	shut in, and thereatter at allique) inter ng such payment or tender, and so i	rvals, lessee may pay or lend: long as sald shut in royalty is	er an advance shot in royalt paid or tendered, this lease
infects of motional in an effort on in part as to gastios or an injuries, shall ensemble as the sillicitude to payend termination of this least in the same manner as thought as proper payment and the motion of the printing and with the transport of the printing and the printing	to the party or parties who at the time of such payment w	yould be entitled to receive the royal	iles which would be paid under this	loase If the well were in fact	producing The payment o
whiten next text conclude copies through as an adecessary to enable lasses to make propose payment. The amount resiliend from the supplication of the properties about the control of the properties of the proper	which is erroneous in whole or in part as to parties or amor	unts, shall nevortheless be sufficient	to prevent termination of this lease t	in the same manner as though	a proper payment had bee
he sent hesses concreases, leaks, purifies, or dehydrates such as (harther on or of the leased premises) or temporary and the leased premises in compuling from the control of the leased premises in the lease of th	written instruments (or certified copies thereof) as are nec established by the gas sales contract entered into in good	essary to enable lesses to make prop faith by lesses and gas purchaser for	er payment. The amount realized from such term and under such condition	m the sale of gas on or off the is as are customary in the indu	premises shall be the pricestry "Price" shall mean th
A. This is a yair to pieste and dissee shall not be obligated during the primary term, heaved, the provision is not influend to not the extension to gain or understanced in the case of the polymeral term, heaved, this provision is not influend to not the extension between the case of the polymeral term, heaved, the provision is not influend to not the extension of the primary term, heaved, in provision is not influend to not the primary term, heaved the extension of the primary term of the provision of the present term of the primary term, and	the event lesses compresses, treats, purities, or dehydra	ales such gas (whelher on or oll th	e leased premises) or transports ga	imants specified in such con as off the leased premises, i	tract or regulatory orders. I essee in computing reyalt
used to the precisions or Paragraph 7 areas?  3. Excess in Avery spranch for fight and popular from the precision of the prec				transfer of whatsoever charact	er or to make any payment
statists or pasts thereof for the production of oil or gas. Units peopled hereunder is all not according to the state of t	juant to the provisions or Paragraph 3 hereot.	A CONTRACTOR OF THE STATE		role kaj diskliĝi di kikaj di el diskliĝi di	the company of the first
in our production from any gain of any such unit shall be considered for all purposes, except the payment of covating, as operations conducted upon of production from the tand described in lesses. These shall be all production of pools and mission and the state of the conduction of the state of the conduction of the state of the conduction of the condu	istates or parts thereof for the production of all or gas. Uni Minerals Department of the State of New Mexico or by any	its pooled hereunder shall not exceed y other lawful authority for the pool of	I the standard proration unit fixed by r greath which sold fand is situated,	law or by the Oli Conservation plus a tolerance of ten perce	n Division of the Energy and and the Writter
as of in least or unit operations, which it is not older gas accessed in the land covered by this fests included in the unit beast as to the total number of a raface acces in the unit. The productions of pooled many to the triangle production of the covered to the country of	on or production from any part of any such unit shall be co	onsidered for all purposes, except th	e payment of royalty, as operations of	conducted upon or production	n from the land described in
Page by tecoding an appropriate instrument in the County where the families has been disposed of possible of the design of the d	used in lease or unit operations, which the net off or gas ac	croage in the land covered by this lea-	a included in the unit bears to the tol	tal number of surface acres in	the unit. The production so
half remain in force to long as opticallons are protected with no cessation of more than 60 consecutive days, whether such operations be on the same well on a different or additional aid on a kill and it may result in the production of oil or gas, to long the remains of the special control of the production of oil or gas, to so for present the special control of the production of the pro	essee by recording an appropriate instrument in the Cou	inly where the fault is structed at an	ritime after the completion of a dry	hole or the cessation of pro-	duction on said unit
hould become incapable of producing for any cause, this 1, 2sa shall not terrinate if lessee commences oppations for additional diffusing or terrously operations hereunder south in production, then this tease shall remain in full more as teng thrections of one as of our gas a produced hereunder.  7. Lessee shall have here use of 61, 253 and valer from said sind, except water from lesses of wells and tease, for all operations presented and the royalty shall be computed state and the royalty shall be computed and the royalty of the royalty shall be computed and the royalty shall	half remain in force so long as operations are prosecuted	I with no cessation of more than 60 c	onsecutive days, whether such oper	rations be on the same well or	r on a different or additiona
ng any to used. Lessee shall have the right at any time during or after the expiration of this base to remove all property and factures placed by resisee on said sand, including the right of any and growed cleaning place of each plan, and own plan shall be diffied within two hundred to titled to a contract planes below ordinary place of eight, and own plan shall be within the property of the planes of the	inould become incapable of producing for any cause, this	Lase shall not terminate if lessee o	ommences operations for additional	I drilling or for reworking with	in 60 days thereafter. If an
Executed the day and year first above written.  Lessor's conson. Lessor's spath have the privilege, at his days and expense, of using gas from any gas well on said shad for stoves and inside.  The rights of either tearly brequider may be assigned in whole or in part and the provisions hareold shall extend to that he had not not have a second or the ownership of the fault of in the ownership of the fault of in the ownership of the fault of the townership of the fault of in the ownership of the fault of in the ownership of the fault of in the ownership of the fault of the ownership of the fault of in the ownership of the fault of the ownership ownership of the ownership of the ownership ownership of the ownership ownership of the ownership	ing any so used. Lessee shalf have the right at any time d	furing or after the expiration of this i	ease to remove all property and fixtu	ures placed by lessee on sald	tiand, including the right t
in The right of either carry frequency and a signature of the provisions hereof shall extend to tituir halfs, executors, administrators, successors and assigns, but though go in the ownership of the rights of lessee and no such change or divisions half by binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at issues a principal plaze or values with the common of the control o	tany residence or barn now on said land without lessor's	consant. Lessor shall have the privil	ege, at his risk and expense, of using	3 daa trom an <mark>y d</mark> ea west on as, ud uo wesi ahast be distred wist	hin two hundred feet (200 ft Id land for stoves and insid
ghis of lessee and no such change or division shall be undring upon lessee for any purgose until 30 days after lessee has been furnished by certified mild at lessee's principal pains or values with a copital lesses. If any such change in contenting the copital stress contents are content to the copital lesses. If any such change in contenting the copital stress contents are content and the copital lesses. If any such change in contenting the copital stress content and the copital lesses. If any such change in contenting the copital stress content and the copital stress contents are contents and the complying the content and the copital stress contents are contents and the complying the copital stress contents are contents and the complying the content and the complying with any express or implied coverant of this lesse, or any staylores there is habit property comply or make such playments.  9. Should lesses be presented from complying with any express or implied coverant of this lesses, or from conducting diffusion or reworking operations hereunder, or from producing of the sherunder by reason of accretic year displayed to obtain or use apulment or material, or by operation of force major, or by reducing or complying with any express or increased and the content against express or increased and the superance of the content of the conten	is. The rights of either party hereunder may be assigned	in whole or in part and the provision:	hereof shall extend to their heirs, ex		
as been furnished with evidence satisfactory to lesiase as to this persons emittled in such sums. An assignment of this lesso in part shell, to the extent of such assignment of this lesso, in a signment of the proportion of the provisions of this lesso, such default shall not affect this less end of a signment of the provisions of this lesso, such default shall not affect this less end of a signment of a	ights of lessee and no such change or division shall be t	binding upon lessee for any purpose	until 30 days after lessee has been	furnished by certified mall a	i iesaee's principal place o
arroyally due from such lesses or assignees or fail to comply or make such payments on a sign and such payments. See or any sayingnee sheld shall properly comply or make such payments or from conducting diffling or reworking operations hereunder, or from producing oil to see the presented from complying with any express or implied covenant of this lesse, or from conducting diffling or reworking operations hereunder, or from producing oil to se hereunder by restort of a carcity or inability to obtain or use equipment or material, or by operation of force majoure, or by any Education of state law or any order, rule in regulation or common that authority, then while as up revented, lesses a presented object to result the superated while do tong as its assesses a presented by any such cause from conducting diffling or reworking operations of trop producing oil or gas hereunders, and the time while lesses is an oppresented shall not be counted against lesses, anything in this hease to the contrary notwithstanding.  10. Lesson hereby wariants and aguess to delean the title to said said and agrees that lesses it is option may discharge any fax, mortgage or other tien upon said land, and in the even assess of one sold in a fail or such particles. The production of the particle and undivided the same and said store as a single production and under the same and said store as a single production and undivided the same and the intervillation and the parties and undivided the same a	as been furnished with evidence satisfactory to lesses a	is to the persons entitled to such su	ns. An assignment of this lease in v	whole or in part shall, to the	extent of such assignment
9. Should lesses be presented from complying with any express or implied coverant of this lease, or from conducting dilling or reworking operations hereunder, or from producing oil to she hereunder by reason of a carcity or inactifyity, between or use equipment or material to by posperation of force majours, or by any Federal or state taw or any order, rule or regulation or one promoted of the producting of the superanted plant such cause from conducting diffusing or exercising operations or from producing oil or gas hereunder; and the time while lesses is any prevented shall not be counted against lesses, enything in this lease is to content against lesses, enything in this lease is to content against lesses, enything in this lease is to content against lesses, enything in this lease to the content producing oil on may discharge any tax, mortgage or other tien upon said fand, and in the even passes does so it shall be subrogated to such tien with the right to entorice same and to apply royalities and shuften royalities any additional counter to ward satisfying same Without impalment to sakes is the state. The production and the production and the tien and undivided fee simple estate (where it caused satisfying same Without impalment to sakes is the state of the production and then the entire and undivided fee simple estate (where it caused satisfying same Without impalment to sakes is the state of the content of the intent of the content of the intent the same of the part of the p	n royalty due from such tessae or assignee or fail to compl	ly with any of the provisions of this le	its rereor shall rail of make default is ase, such default shall not affect this	i lease insolar as it covers a p	art of said lands upon which
Executed the day and year first above written.  Executed the day and year first above written.	9. Should lessee be prevented from complying with any	express or implied covenant of this	ease, or from conducting drilling or operation of force majeure, or by an	reworking operations hereun by Federal or state law or any	der, or from producing oil of order, rule or regulation o
10. Cossor hereby warrants and agrees to defend the title to said faird and agrees that lessoe at its option may dischaige any lay, mortgage or other lien uplon said land, and in the passes does so it shall be subtogated to such lien with the right to enforce aame and to apply royalited and shuff in royalities hereunder foward satisfyings same Without implement osses's rights under the warranty. It his lesse covers as less indirect to the old or got in all or any part of said faint than the entitle and undivided fee simple estate (whether lessoes interect to inches the covers less than such full interest, shall be paid only in the royalities, abut in royality, and other payments, if any, accounting from any part as to which this lessoe, than such full interest, shall be paid only in the royalities, and the royalities, and the royalities are such that the control of the part of the part of parties executing the same.  11. Lestoe, its or his successors, here and assigns, shall have the right at any time to surrender this lessoe, in whole of in part, to lesso to his helis, successors, and assigns by delivering mailing; professes thereof to the lessor, or by plating a refersable hereofor all obligations, agrees do fringited, of this agreement as to accesses a certain and therefore all obligations, agreement as to accesses a certain and therefore all obligations, agreement as to access a certain and the reference of the control of the control of the lessor, or by plating a refersable reflexed of record in the shall and its interest.  Executed the day and year first above written.  Executed the day and year first above written.	jovormentmental authority, then while so prevented, lease and so long as lossee is prevented by any such cause from	e's duly shall be suspended, and les conducting drilling or reworking ope	see shall not be liable for failure to	comply therewith; and this le	ase shall be extended whill
Executed the day and year first above written.  Executed the day and year first above written.	10. Lossor hereby warrants and agrees to defend the title	e to said land and agrees that lesses			
roportion which the Interest thefeld, if any, covered by this lesso, bears to the whole and undivided (ea simple estate therein Should any one or more of the parties areculing the same.  11. Lessoe, its of his successors, helps and assigns, shall have the right at any time to autrender this lesso, in whole of in part, to lesso to his helis, successors, and assigns by delivering the leases thereof to the lessor, or by placing a reliable thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, express dorningted, of this agreement as to acreage so surrendered, and therafter the shut-in royalty payable herounder shall be reduced in the proportion that the acreage covered hereby is reduced by seld release or relieves.  Executed the day and year first above written.  Executed the day and year first above written.  Executed the day and year first above written.	essee's rights under the warranty, it this lease covers a les	na to lie at eeg to lio eat hi teasain ei	part of said fand than the entire and	state elqmie eet beblyibnu t	(whether lessor's Interest I
Executed the day and year first above written.  Executed the day and year first above written.	proportion which the interest therein if any covered by this	whole has a to the whole and undiv	idad faa simola astata therain. Shou		
Executed the day and year first above written.  Executed the day and year first above written.  Empha Jane Brooke	or mailing x release thereof to the lessor, or by placing a ref	lease thereof of record in the county	n which said land is situated; thereu,	pon lessee shall be relieved for	rom all obligations, express
Emma Jano Brooke	d or implied, of this agreement as to acreage so surrender d by said release or releases.	ed, and therafter the shut in royalty p	ayable hereunder shall be reduced in	the proportion that the acres	age covered hereby is reduc
Emma Jano Brooke					
Emma Jano Brooke					
Emma Jano Brooke		i 🤌 i kana i ka	e production of the second of		
Emma Jano Brooke					
Emma Jano Brooke					
Emma Jano Brooke			•		· · · · · · · · · · · · · · · · · · ·
Emma Jano Brooke					
A SAN PARA MAN PAN PARA MAN PAN PARA MAN PARA MAN PANA MA	Executed the day and year first above written.	*	5	2 0	
A SAN PARA BANK MATERIAL PROPERTY OF THE PROPE	and the state of t	v å mak sample skipt å parager plank primmanapærktindernom.	Conno /	ane /2r	rke
Soc. Sec. 110. 571- 24-11069	<u> </u>		Emna	Jane Brooke	
	The second secon	The state of the s	Soc. Sec. Ilo.	571-2	4-0069

			en e		
			No. of the second secon		
				•	
			and the second s	and the state of t	
		· · · · · · · · · · · · · · · · · · ·		e na sales e sue e Na Cario da P	No all the Archi
B. B. Barrell	in the water the years	and standard the second section of the second	Server Control of the Control	Control of the State of the Sta	ANY AND
			· ·		
Producer's RR. Dund	ucce's Baulsoul 1081 Nau	/ Moxico Form 342P, Paid-up	Delinted and for hale i	ny Mall Coathaugh Brass	Donu. II M fa
11000001 3 00 4 7 1000	arat 4 11041380 1901 1498			by Hall-Poorbaugh Press,	Moskin, it.i.i
•		OIL & GAS	LEASE		
	~V		\$		
THIS AGREEMENT modul	this Day of a Oc7	0181=	19 8/ , butweers	ing and a second of the contraction of the contract	
and the second of the second	Braille Instit	aber Lute of America, In	No. 1	المراجعة والأستون والمراجعة المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة ا المراجعة والمراجعة المراجعة ا	
	***	and the second s	Box 10460, Midland	(Post Office Address)	
		, the following described land in	ating, exploiting, prospecting, detiling nks, roatways, telephone lines, and c		
		, the following described land in	1 200		
		the following described fand in	1 200		
	to a and transport said minorals				
	to a and transport said minorals	on 3, Township 205			
	to a and transport said minorals				
	to a and transport said minorals				
	to a and transport said minorals				
	to a and transport said minorals				
tire care of, heat process, at	s/2 SW/4 Secti	on 3, Township 203,	Les		
ture care of, treat process, at	to n and transport sald minorals S/2 SW/4 Sect i	on 3, Township 20S	Les Range 37E	County, I	tua Marika 10 mi
Eine care of, treat process, st band take to estimated to e 2. Subject to the other prior tring the centurias on or gas t	S/2 SW/4 Sectionspires and minorals S/2 SW/4 Sections in the section of the secti	on 3, Township 205, aries, whether it actually comprises measurable force for a termotion and with which said land is poole	Lea Range 37E	County, I	tua Marsico 10 mi
band land to estimated to early object to interpret in og the reality as on or gas to the pand by the	S/2 SW//4 Sect in S/2 SW//4 SW//4 Sect in S/2 SW//4 SW	on 3, Township 205	Range 37E  one year  one 1/1	from this date (called "prin	nery term") and a:
Surf land is estimated to de 2. Subject to the other prior in ny thereafter as on or gas in 3. 1. Proyathes to be paid to sure to be defined at the wi	S/2 SW/4 Sections and transport sald minorals S/2 SW/4 Sections and the section of the section o	on 3, Township 205, and a state of the state	Range 375  one year  one year  o 1/11  connected, (b) on gas, including cas	from this date (called "prinof that produced and savinghead gas or other gaseous but	nery term") and a:
bund land to estimated to estimate to estimate to estimate the other proving the categorial as on or good in 1 170 paths to be paid to some to be defined and used oil the provides that and used on one of the provides that and used on one of the provides that and used on one of the provides that one gas some of the provides the provides that one gas some or gas some of the provides that one gas some of the gas some of the provides that one gas some of the g	S/2 SW//4 Sect in S/2 SW//4 Sw	on 3, Township 205, acres, whether it actually comprises me assessment to the said tand is poole ritigated hydrocarbons saided at the well, the pipoline to which the walls may be facture of gasoline or other products, the shall be	one year  one year  one year  one year  one j/li  connected, (b) on gus, including cas	from this date (called "prining head gas or other gaseous suit of the construction of	nary term") and a: ed from said land balance produced cd the gas used when this lease is
Sund land is estimated to a superior state of the other prior in a photostate the other prior in a photostate as on or gas in a property of the other of a thrown in a sund that and usyd of it is provided at the other of a thrown in a sund that a decided at the other oth	S/2 SW/4 Section of the manufacture of the manufact	on 3, Township 20S, are s, whether it actually comprises m as a shall remain in force for a term of the mand with which said tand is poole risquid hydrocarbons said at the well, the pipuline to which the walls may be facture of gasoline or other products, the shall be 1/1 dior condensate well on said land, or lar before 90 days after said will is shull	one year  one year  one year  one year  one year  one jein including case market value at the well of the amount resilted for a policy for the amount resilted for a policy for each the sum of the amount resilted for a mount for at a mount for resils, and the each for a a mount for resils.	from this date (called "print of that produced and saving had gas or other gaseous but 1 / 1;  from such sale; (c) and at any time on sale is not balong so solid or use says may pay or funder an sales.	nery term") and as ed from said fand balance produced of the gas used when this lease is d and such well
band land is estimated to divide the control provided in a state of the other providing the residence of the other provided in a state of the other of the other other of the other	S/2 SW/4 Sect in S/4 S	on 3, Township 205, ances, whether it actually comprises measurements and the poole of the property of the pro	one year  one year  one year  one year  one year  one year  one j/li  connected, (b) on gus, including case market value at the well of  of the amount resilized in  and should there with but gas or cond  n, and the souther at annual receivals, ich payment or tendor, and as long a  in the teaded promises to paying goor	from this date (called "print of that produced and save in phead gas or other gaseous build for much sale; (c) and at any time consisted in not busings o sold or use asset any pay or funder an surer sale and this pay has pay to sold or the first pay has been may pay or funder an surer sale and this pay has pa	nery term") and as ed from said fami balance produced of the gas used when this lease is ide shut in royalty ndured, this lease a paid or tentered
bund land to estimated to come the project to the other proving the paradiant as on or gas it is project to the other provinces to be defined at the owner to be added and used with the owner to be added and used with the owner to be added and by other provinces to the added and by other provinces to the added and by other provinces to the added and paradiant as officers and the added and paradiant as officers and the added and paradiant as other and the added and paradiant as of the added and paradiant as a should be added and a should be a	S/2 SW/4 Sections in the management of the continuous sections in the contained, this less produced from said land or the count of tessor in the consideration in the consideration in the consideration of tessor in a count of the consideration in the consider	on 3, Township 205, acres, whether it actually comprises me as a shall remain in force for a term of the property of the prope	ore or less  One year  of l/li  connected, (b) on gus, including case market value at the well of  of the amount realized find pooled there with, but gas or count n, and the eather at annual intervals, in the payment or tender, and so long a in the leased promises in paying quoi high would be paid under this lease or of short he royalty, which is mude ly	from this date (called "print of that produced and savinghead gas or other gaseous but the save save save may pay or tender an subvarsate is not boling so sold or use esses may pay or tender an subvarsation to the save said shout in royalty is paid or to thise Ekon such payment shout in a bona flee attempt to make producing a bona flee attempt to make pro	nary term") and as ed from said land, balance produced of the gas used, when this tease is d and such well is ice shut in royally ndured, this lease a paid or ten dered g. The payment or pur payment; but
build land to estimated to expenditure to the standard to estimate to the standard to expenditure the standard to expenditure to the standard to the standard to the standard the standard the standard by other present of the standard of	S/2 SW/4 Section of the payable of the produced from said land or from the produced from said land or from the produced from said land or from the produced from the produced from the payable of the provinces of the payable	on 3, Township 205, acres, whether it actually comprises me says shall remain in force for a term of the man and with which said and is pooled riquid hydrocarbons sayed at the well, the pipoline to which the walls anay be facture of gesoline or other products, the shall be 1/1, and the sayed of the said and, or te motion 90 days after said will is shull under this tease by the party making au shore of that years to under this toase by the party making as the collection of the	ore or less  One year  of liliconnected, (b) on gas, including case  market value at the woll of  of the amount resilted if nd pooled there with but gas or count n, and those there at annual intervals, in the leased premises in paying quoi hich would be paid under this lease or of short in coyalty which is mude it went to minimation of this tease in the ty certified a mail from the paying or pa	from this date (called "prin of that produced and saving head gas or other gaseous suing head gas or other gaseous suing head gas or other gaseous suing head gas of the saving head ga	nary term") and as ed from said land balance produced colline gas used, when this lease is d and such well is d and such well is d colline in this lease a paid or tendered pur payment or pur payment, but buyinent had been ogether with such

the event leased or pressure treats, pointion or deligitating such pas (whether on or off the leased premises) or the reports gas off the leased premises, leased in compoling royally harvender may treat a train such pile a reasonable charge for each of such functions purformed.

- 4. Trids is a hald-off trace and trace and trace by chiling the primary term forced to commence or continuously operations of whatsoever character of to make any payment of the production to make any payment to the production to make any payment of the production to make any payment of the production to make any payment of the production of the product
- Accorded to reflect the state of the obligation to pay royalities on actual production pursuant to the provisions or Paragraph's horse.

  5. Lusted is horse, 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, teases, mineral estates or parts thereof for into production of oil or gas. Units pooled hereunder shall not exceed the standard prevation until the day law or by the Oil Conservation Division of the Energy and Minerals Department of the Stute of New Moxico or by any other tax full authority for the pool or area in which said its all a situation, give a tolerance of fen percent. It is assessed that the written on or production from any part of any such that shall be considered for all purposes, except the payment of the bottom of one production from any part of any such that shall be considered for all purposes, except the payment of the part of production from any part of any such that is all the considered for all purposes, except the payment of the part of production from any part of any such that the considered for all purposes, except the payment of the part of production from any part of any such that the considered for all purposes, except the payment of the part of payment of the part of production from any part of any such that the considered for all purposes, except the payment of the part of payment of payment of the part of payment of payment of the part of payment of pa
- It there is not have feel use of all gas and water from seld lend, except well and terminates state many produced and the selection of the terminates of an expension of the terminates of the terminates of the terminates of terminates of the terminates of t
- of the residence of term now on the disease will on seld and for stocked and inside this in the phrait entire that the phrait entire the p

- 1) Lesses its of the successor of the control of th Bee app genet a care unitable Bee at tree l'ed, al the care du care Bit by beind this about this book

Large Company of the Company of the

Anything contained herein to the contrary notwithstanding it is understood that:

- If at the expiration of the primary term of this lease and any extension thereof which may occur in accordance with any provisions contained in this lease, any part or parts of the herein leased land is not included within a well unit or units from which production of either oil or gas is being obtained, this lease shall terminate as to such part or parts of the leased land which is not included within such producing well unit or units. Any of the lested land which is allocated to a producing oil or gas well and which is receiving an allowable credit under the rules and regulations of or other governmental authority having The State of New Mexico or other governmental authority having jurisdiction in the premises, shall be considered as being included within a well unit and a well unit may consist entirely of the land covered by this lease or it may consist of a pooled unit which includes all or a portion of the herein leased land.
- The period within which Lessee may extend this lease by payment of shut-in gas royalty on gas wells shall not exceed Two (2) years past the end of the primary term hereof.
- Following the expiration of the primary term and any extension thereof which may occur in accordance with any provisions contained in this lease, rights under this lease shall terminate as to all depths below 100 feet below the total depth drilled in the deepest well commenced on or before the expiration of the primary term on the leased premises or on any land pooled therewith. It is agreed that at the end of the primary term of the lease, Lessee will prepare and properly record the necessary instruments to indicate the depth earned during the primary term.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

ATTEST: BRAILLE INSTLAUTE OF AMERICA, INC. BY: DIRECTOR DEVELOPMENT DIRECTOR

TAX TOHOS 1661606

STATE OF California		en ra <b>sc</b> ultuspoda (m. 1900). Osa raj este	
COUNTY OF Los Angeles	<b>SS.</b>		0.1
000111	ON	October 9	19 01
OFFICIAL SEAL  DORIS E D'ARCY  NOTAL BUC CAUSCRNIA  LOS MIGLES COU'TY  My comm. expires MAY 21, 1985	President, of the Brail the Corporation the	ndersigned, a Notary Public in and tordan, R. W. Kirbey de Executive Director de Institute of America nat executed the within Instrument, ke in Instrument, on behalf of the Corporation executed the same.	known to me to be the R Development Direct, Inc. nown to me to be the person who

WITNESS my hand and official seal.

Producer's 80 - Producer's Revised 1981 Now Mexico Form 342P, Pald-up

Printed and for sale by Hall-Pensbaugh Press, Roswell, N.

HIS AGREEMENT mode this J.M.	dayof O	Tober		19	?/ betv		etri tahuncanatusa coma	
Ropubli ePank	Dallas,	MA, Trustee	of the	Selma E.	Andi	ous Trust	1	
P. O. Box 241	l, Dallas	Texas 752	221					-
						01	(Post Office A	
			E. II.	Gorence	. Box	10460, 141	A collo izog)  dland 'l'X	79702
ela called to appropriate for one or more) Le sport in consideration of TEN AM			غر بیشمید ب	وسرماني موروبات	-		ara ana garanana kajir	ا رحم حدد
ela contained, iteresty grants, lesses w case, waters, other fluids, and air into	ed lats exclusivel	ly unto lessee for the	purpose of lave:	itigating, explorin	g. prospec	ling, drilling, and or	grating for and pr	ecg brailio gnlaubo
g gas, waters, other 11012s, and air into e care of, treat, process, store and trans			. 7		163 (0)0010116	mes, a so otnar str		ounty, New Mexico.
a cara or, most, process, store and train	aport asio initiata	is, the following asser	100018110111	ť			V	Sonty, 118 W MEXICO,
							A STATE OF THE STA	SECTION OF THE SECTION
				SELECTED STATES	1.00-20-			
इ.स.च्या	W// Coat	ton 2 Pour	Ahin 20	aud salar serve. O Danas	വര			
	W/W Soct	ion 3, Town	iship 20	s, Range	37E			
s/2 s	W/4 Sect	ion 3, Town	iship 20	s, Range	37€			
s/2 s	W/4 Soct	ion 3, Town	iship 20	S, Range	37€			
s/2 s	₩/4 Sect	ion 3, Town	iship 20	s, Range	37€			
s/2 s	₩/¼ Sect	ion 3, Town	iship 20	S, Range	37€			
s/2 s	₩/W Sect	ion 3, Town	iship 20	S, Range	37€			

beginned to a gift or gift is produced from a city of the form bed with which asked find by possible.

1. If you will be districted in the city of the product of the produ

Anything contained herein to the contrary notwithstanding it is understood that:

17-4:

- a. If at the expiration of the primary term of this lease and any extension thereof which may occur in accordance with any provisions contained in this lease, any part or parts of the herein leased land is not included within a well unit or units from which production of either oil or gas is being obtained, this lease shall terminate as to such part or parts of the leased land which is not included within such producing well unit or units. Any of the leased land which is allocated to a producing oil or gas well and which is receiving an allowable credit under the rules and regulations of the State of New Mexico or other governmental authority having jurisdiction in the premises, shall be considered as being included within a well unit and a well unit may consist entirely of the land covered by this lease or it may consist of a pooled unit which includes all or a portion of the herein leased land.
- b. The period within which Lessee may extend this lease by payment of shut-in gas royalty on gas wells shall not exceed Two (2) years past the end of the primary term hereof.
- c. Pollowing the expiration of the primary term and any extension thereof which may occur in accordance with any provisions contained in this lease, rights under this lease shall terminate as to all depths below 100 feet below the total depth drilled in the deepest well commenced on or before the expiration of the primary term on the leased premises or on any land pooled therewith. It is agreed that at the end of the primary term of the lease, lessee will prepare and properly record the necessary instruments to indicate the depth earned during the primary term.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

ATTEST:

ASSY. VP & TR. OFFICER

BEPUBLICBANK DALLAS, N.A.

ASST. VP & TR. OFFICER

TRUSTEE FOR SELMA E. ANDREWS TPUCT

#5188-00

Tax ID #75-6095965

My Commission expires			• mpris
STATE OF			
County of	IN	DIVIDUAL ACKNOWLEDG	MENT (New Mexico Short Form)
The foregoing instrument was acknowledge	ed before me this	day of	
19 by		<u> </u>	<u> </u>
			y Public
My Commission expires	, 19	Notar 	y Public
STATE OF		international designation of the contract of t	
County of .	IN	BIVIDUAL ACKNOWLEDS	MENT (New Mexico Short Form)
The foregoing instrument was acknowledg	ced before me this	day of	mand the strategy and an area of the strategy when the strategy of the strategy of the strategy of the strategy
19 by		غد ف الليورواليون و سيب مدالة في يورو والمدالة الدونية والقادمة ( المستوسية وواليواني	
e de la companya de l		The state of the s	- 
		Notar	PANE
My Commission expires	, 19	Motat	y Public
	•		
ORPORATION ACKNOWLEDGMENT			
County of OAT (FES			
County of Civil (55)		BEFORE I	ME, the undersigned, a Notary Public
foral budgey		, in and for said County, To	exas, on this day personally appeare
PATRICIA ANN COX	ELCEN FICEN		
		known to me to	be the person and officer whose nam
s subscribed to the foregoing instrument and ackr	nowledged to me that the	e same was the act of the said.	
RepublicBank Dallas.			
corporation, and that he executed the same as		tion for the nursesse and consi	
capacity therein stated:			
OIVEN UNDER MY HAND AND SEAL OF OF	FICE, ThisDa	y of aclober	, A.D. 19.5/
DRAD CHIDSEY Liebely gublic	Dr	al be lain	
Slaig of Texas		0	•
My Commission Expires 04-09-85			
	•		
County of			en de la companya de
The furngoing instrument was acknowledge			
by the state of th			President
ofon behalf of soil corporation.			corporation
My Commissing Expires:	****		Notary Public
		Annual des annual desired	
STATE OF	and the second seco	HAD WILLIAM CONTRACTOR	ORTHNIMI AND
County of	(CO)	KLOKYLION VCKNOM/50	GMENT (New Mexico Short Form)
The foregoing instrument was acknowledge	ged before me this	day of	19
by		ng gang alamang anag ang alam na nanana bagan nana na na na na na na na nagang ang	President
ofon behalf of said corporation.		8	corporation
on behalf of said corporation.	*)		

My Commission Expires: .___

Notary Public

	LEAGE
THIS AGREEMENT made this 31st August	19 81 between
	and separate property, 1108 W. Avenue N.,
Lovington, New Mexico 88260	
	of (Post Office Address)
hereig contained, hereby grants, leases and lets exclusively unto lessee for the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the context of the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the purpose of inviting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, build in the purpose of inviting gas, and air into subsurface strata, laying pipe lines, storing oil, build into subsurface strata, laying pipe lines, storing oil, build into subsurface strata, laying pipe lines, storing oil, build into subsurface strata, laying pipe lines, storing oil, build into subsurface strata, laying pipe lines, storing oil subsurface strata, laying pipe lines, storing oil subsurface stratage stratage stratage stratage stratage.	ing tanka, roadwiya, selaphone lines, and other atroctures and things that ach to produce, sava; Tipo
take care of, treat, process, afore and transport said minerals, the following described land in $d\Sigma$	County, New Mexico, 10-Will
	·
S/2 SW/4 Section 3, Township 20S, Range	ge 37E
and the second of the second o	
00	
Said land is estimated to comprise. 80	
<ol><li>Subject to the other provisions herein contained, this lease shall remain in force for a term long thereafter as oil or gas is produced from said land or from land with which said land is ;</li></ol>	pooled.
<ol> <li>The royalties to be paid by tessed are. (a) on oil, and other liquid hydrocarbons saved at the same, o be delivered at the wells of to the credit of lessor in the pipeline to which the wells m.</li> </ol>	ay be connected; (b) on gas, including casinghead gas or other gaseous aubstance produced
from said land and used off the premises or used in the manufacture of gasoline or other product provided that on gas sold on or off the premises, the royalties shall be 3/16	of the amount realized from such sale, (c) and at any time which this realized is
hereunder in order to maintain this fease in force during the primary ferm; however, this provisions are Paragraph 3 hereof.	and in, and thereafter at annual intervals lessee may pay or fender an advance shut-in royalty ing such payment or tender, and so long as a said shut-in royalty is pied or tendered, this lesses of fromthallessed premises in paying quantities. Each such payment shall be paid or tendered ites which would be paid under this lesse if the well were in fact producing. The payment or tender of shut-in royalty unch its made in a bona tide alternot to make proper payment, but to gravent termination of this tease in the same maner as though a project payment had been recerol by certified mail from the party or parties entitled to receiv payment togeths with such rer payment. The amount realized from the sale of gas on or off the pramises shall be the price such term and under such conditions as are customery in the industry. Price' shall mean the location of any applicable price adjustments specified in such contract or regulatory orders in a lessed premises) or transports gas off the feased premises, lessee in computing royalty rend.  To commence or continue any operations of whatspever character or to make any payments on is not intended to relieve lessed of the obligation to pay royalties on actual production purposes. The same payment is required to the standard proration until fried by taw or by the Oil Conservation Distalor, of the Energy and in area in which said land is situated, plus a lolerance of ten percent. Lesses shall fill written nated from time to time and either before or after the completion of wells. Orilling operations a large from time to time and either before or after the completion of wells. Orilling operations as the entire production of pooled minerals from wells in the unit. The production as as the entire production of pooled minerals from the production from the fand described in a portion of the futal production of pooled minerals from the production of and the production as a positions to making a before the explaints for drilling or reworking theiron. The production as a the entire produc
9 Should lossed be presented from complying with any express or implied covenant of this is gas hereunder by reason of staticity or inability to obtain or use equipment or material, or by a governmentmental authority, then while so presented, issue's duty shall be suspended, and issued so long as lossed is prevented by any such cause from conducting driftling or reworking oper not be counted against lossed, anything in this lease to the contight or driftling or reworking oper not be counted against lossed, anything in this lease to the contight or materials and agrees to detend the title to said land end agrees that leased lossed does so it shall be subrogated to such then title to said land end agrees that leased lossed does so it shall be subrogated to such the right to enforce asme and to apply toy leased's rights under the warranty, it has lease covers a tess interest in the oil or gas it; side any decline specified or not) then the royalities, shull in royality, and other payments, it any, accruing the inspection which the interest therein, if any, covered by this lease, bears to the whole and undivital to execute this lease, it shall neverthidless be binding upon the party or parties executing in the second that leave, it shall neverthidless be binding upon the party or parties executing in the second that leave, it is the successors, here and assigns, shall have the right at any time to surrend or mailing a release thereof to the lossor, or by placing a release thereof of record in the county is ed or implied of this agreement as to acreage so surrendered, and therafter the abut-in royality pied by said release or releases.	operation of force majoure, or by any Federal or state law or any order, rule or requisition of see shall not be liable for failure to comply theirewith; and this lease shall be extended while rations or from producing citior gas hereunder; and the time while lease shall be extended while at its option may discharge any tax, mortgage or other lien upon said tand, and in the event attes and shut in royalites payable hereunder lowerd satisfying same. Without impairment of your of said land than the entite and undivided lee simple estal a (whether lessor's interest is room any part as to which this lease covers less than such full interest, shall be pard only fir the ided less simple estate therein. Should any one or more of the parties named above as lessors the same.  (If this Pase, in whole or in part, to lessor or his helfs, successors, and assigns by dolls ering n which said land is situated; thereupon lesses shall be relieved from all obligations, express
antigation of the Angles Angles and the Angles Angles Angles Angles Angles Angles Angles Angles Angles Angles Angles Angles Angle	
Executed the day and year first above syritten.	Mary Beth Wood
	Soc. Sec. No. 525-44-1681
	Mailing Address P 0 Box 272
	Lovington NM 88260

Leo Roberts

Soc. Sec. No. 526-30-7425

Oran Garwood Hall, dealing in her sold	and separate property, 4004 Terrace Drive,
Amarillo, · Texas 79109	
	(Post Office Address)
E. M. Gorence	(Post Office Address)
hatener stilled to a to five other one or more) and.  1. Let not, the constituent of earth of the NOV LEAS in hand paid, coapet of which is her heron contributed, thereby one, the case and to sectiously unto testine from a purpose of lineariting only, waters, other finals, and all following our senses a trata, laying pipe times, storing off, building to	
take errelof, time), process, store and transport said integris, the following described land in	County, New Mexico, to-w
S/2 Si/4 Section 3, Township 20S, Range	37.3
	more or toes IVO YEARS Light Little Like Dealed "primary term") and a led 3/16 61 that produced and saved from saly from
Said land is estimated to comprise 80 acres, whether it actually comprises	more or toss (1) ( YE 7) 1-3
2. Subject to the other provisions herein contained, this lease shall remain in force for a term of long triefle earlier or as out or less to produced from said land or from land with which said land is pool.	2/16 100 VCN'S from this date (called "primary term") and a
<ol> <li>The my stres to the profit by lasses are: (a) on oil, and other liquid hydrocarbons saved at the west are to the a sheeted oil the worls or to the credit of assorting he pipetine to which the wests may be</li> </ol>	va contraction fish our disk integrated cases have no always a solution disagraph and status a knooned
from said is the description of the praints as one section that manufacture of gasoline or other products, the manufacture of gasoline or other products.	
point relativation gas post on or att the premises, therovalties shall be 3/16 and or not validated by other provisions thereof and there is a gas and/or conference well on the facilitation study in the north state state.	t in, and therepiter of annual intervals, indeed may pay or fonder an advance shultin royali
equal to \$1.03 corner acrossful assoring as acrosse then held under this least by the purity making; as luft not terminate and it is that the coarsisticat under all clauses after all that gas is being produced in to they are typic purities who at the time of such payment would be additive to receive the royalism.	rom the leased premises in phyling quantities. Each auch phyment shall be peld or tendere
talled and regards as self clinding pay littles may be made by check or dealt. Any timely payment or ter which is creased as fin ignorable in plat as to parties or amounts, shall novembelless be sufficient to p	rdai of shut in roymty which is made in a bons file attempt to make proper prymant, bu revent formination of this less of in the same manner as though a proper psymant had bee
mails if the seems that cheesed, as a hierator within 30 days effor it assee has received written profited there written in strumenta (or occurred opposes that only as anoned ussery to on old to lassee to mell oppose profit outsits for all by the grass was contract ontered into in good fairby to save andiga purch user for suc	eby oit ed itede each nor y the polocope of each mother still besties a province the free most feature. It to mem tiente "Gotes and a control of the most of the feature of the control of the free most necessary and
net amount mooth or by to see after group effect to applicable regulatory orders and after taphical the electrifesses compresses, trivits, purifies, or delaytrates such and tynother on or off this te hereunder may disduct from such price a reasonable charge for each of such functions sectoms	insed preintises) or transports gas off the leased prohitsha, tession in computing royali
4. This is a gold up to use and however the booking the political form hereof to concern in order to maint visit has been force during the sample force, the provision to	commence or continue any operations of whatever character or to make any payment
saint to the provisions or Family spike 3 terroof.  5. To some is hereby greened the highly and power, from three to tenu, to posted combine this loss earlier or you get a formal for the provincial or of our or gra. These posted hereunder shall not uncoed the	
New Australia in the est of the State of the Attention of by any other tawful authority for the pool of an outhor the first factor of the county is which the periodes are bested and such units may be designed on any production from any pout of any sorth unit shall be constituted for all perposes, except the pa	on the high said tand in altertack, plus a toleration of the percent. Leaves stall file writes of the percent to the time of telling of a store or after the completion of water. (fulling of a store or after the completion of water. (fulling of a store or after the completion of water.)
trinks (i.e. There it will be existed to a test and covered by this less sincled (id in any such unit that pe used in test, to a waite pertaiture, which the int offer gas acreage in the laid covered by this leave to	na gollacue h tella, ilitu orli telle kilok mort alatonim bölevej lo noitauborg fa tot tid lo noitae a nobomberg tid Linu bili ni eet a dabiira lo radmun letot orli telest tid unit. Tid praducina
It adolf, yill provide to constitute of the process, including the paying in that are the paying in the abilit of the arms that soft in the same in union as though produced from soft in under the total teams of the team of the transities in a control seems of the Control and seems of the teach state is secured as a key time	ijs jease. Any popled unit dasiynated by lessee, as provinted herelii, may be dissolved b
. 6. If at the eligibilities of the primary term there is no walt up as sold faind capable of producing oils an union Trail for the case from as of positions are producted with mades sation of time transfer on the trail walk of arts, and if the production the production of or one gas, so long threaten as of or gas is pro-	and title in franchib a no so liew omae eithno ed arotosopo dichet such editions
strout that have been due of the traing for any classe, this leave shift out turnique it leaves community, and the community of the community	mences operations for additional drilling or far to working within 60 days their iter. If un
7. If a row shift have feet a 3-of oil, gair and water from said find, occept water from lessor's water from any time from the expiration of this fear draw a most free the expiration of this fear draw a from each factoring. We care this begins to seek with buy all pipe times on entitled for draw a from each factoring.	n to caniovo kill proparty and firthes placed by Tesses on said laind, Including the right t
of ary residence of homerics on a left that without leason's consent. Leason shall have the privilege lights in the principal coloring thereon, colorings, surplus gas not obate 1 for operations burst haroun	, at his risk and excense, of vising goo from any unsworr on said land for stoyes and inaid aero
8. The exightest licities perfy key number may beel skiped almobialn only part and thy provisions he existing in the discness hypothesis is shut in expensively not complete to require, coyanties or shut in higher of Hessele and no sciencially citating our dischesions about the cinding open lesses for any proposal unit.	royalties, however accomplished shall operate to unlarge the obligations or diminish th
bůsnesa míta acceptulan instromenta extret fer filogras troiéist constitution the châin ói titlo d omice, truces any, at tro option, pay or tocide a propatisación estile filographica in tronama efficie tyri blum furnastad ofte esitencia salialectory to tosaga as to troy comis ortifict to sech sams.	om the odglaaf laskor. Hi any sach chairteillí ewneistilp ot curs thi bugh tha deith of th hoeapad or to bis ostato or to his helre refaculor or a baleistrator until such theé as le isc
i Blisko a "1 dibibborg i le. N. a. al lany obligatir na herrun leranul, il te-sa regnossignopiolis parter partal In royally dua from such tegà sa or a raigh, invertad to comply infilmany al tim paorisions of this laase,	the roy fley of the freq et and the company in the fact of the form of the fact of the feet of the feet of the
formatics and partition to the policy of over the comply of includes only influents. The distribution of the second of the complete in the properties of the second of the killion of the complete of the second of the killion of the properties of the materials of the properties of the materials of the properties of the properties of the materials of the properties of the materials of the properties of the p	e, article too.
g commonite and the biblion of the provided is a presented, less which daily shall be encounted, and less see and only grant become is provided to an existing association coordinating differing or revolving operation and the counted against tracked, regarding that have been to the country protections adopting	lità belanta ed best seciól eith bac dillaboro la compete comical de seciól ed lan litra e
l this see the same that the same that is the best of the same same that this seek that the seek the seek that the	es and shutin regelties payable hereinder terraid schalying some. Villicat impaniacht
less se's a 1949 under the mare dry stitle sesso evens a lass trabe of their effect of girth effecting by In one specified or nell them the cypities, shot in republic other pignes as, their, eccraing from projection where the first and the along it any, Control by this specific and a spotting on the end on fieldes	nt of sulfdamit thin this entire and undirect for a simple entate (species less less les silvents). Enty part as to vibit hits tense covers less than augh full (nteles), en title pill only in the
f vil to exolute this sease; in stresi no certhalors to thirding lipon the party or parties ovecuting tha The Louveo, its of his succioestal, hidro and aveigns, shall throuthe right of any live to sumender t	i santo. His trace, to modo of to part, to lizazor of his hetrs, succossors, and assignicity define the
os mustregunste lage the Lind to ale ses or, or by princing and eases thore of of remarch habe equinty filled or turning trad, of this ognosmost has to acreage so sume interest, and therefor the shird introvally payalled eatry shift reference or tremasure	Nich sald Lodin silvated, thate dominises shot to refer of tion all 1999, Tions, or press Me here a der shall be redicted in the proportion that the ecroses coursed to reby is redu-
Proposet the retain King Shows Theory	
	Aleur Danord Hall
graphy and the second of the s	g member king general series in visit mentant betar kentan best nit militari in district to the time and a series of the series

Executed the day and year first above written.

Cecil Frank Wilson

Cecil Frank Wilson

### NETTER DOWD & ALFIERI

RICHARD NETTER
HECTOR G. DOWD
JOHN B. ALFIER!
MORTON I. HAMBURG
HOWARD J. ADLER
CARL F. AXELROD
EDWARD M. BERMAN
PAUL FROHMAN
DAVID MALKIN

ATTORNEYS AND COUNSELORS AT LAW
660 MADISON AVENUE NEW YORK, N.Y. 10021
(212) 486-8600

A. WALTER SOCOLOW, P.C. COUNSEL CABLE

NETTERLAW

TELEX 620177

WRITER'S DIRECT DIAL NUMBER 486-8627

November 6, 1981

Mr. E. M. Gorence P. O. Box 10460 Midland, Texas 79702

Dear Mr. Gorence:

Thank you for arranging for the abstract company to send me a copy of the 1927 mineral deed to Max Gutman, which confirmed your identification of the property to the Northwest quarter of the Southwest quarter of Section 3, T20S, R37E, Lea County, New Mexico.

I confirm our telephone conversation that I am individually participating in the proposed drilling of the well by Doyle Hartman to the extent of my working interest therein as outlined in your letter to me dated October 22, 1981. I maintain an account with Mr. Hartman on other wells in Lea County and I reiterate my commitment to pay my share of the actual drilling and completion costs applicable to my interest. No force pooling should be involved and I should be pleased to pay my share of such cost promptly as billed, provided that such drilling will be commenced within the next month.

Thank you for your cooperation in arranging to advite me of the date drilling is commenced and of the details thereof.

Very truly yours,

A. Walter Socolow

AWS:k

NOV 1 2 1981

(915) 686-8721 MADEXIXX - OFFICE 683437 - HOME E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702
October 22, 1981

Re: NW/4 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. A. Walter Socolow
660 Madison Avenue
7/1. 4/6- 8/27
New York, New York 10021

Dear Mr. Socolow:

This is in response to your telephone call of October 20, 1981 concerning our offer to lease oil and gas rights in the captioned lands owned by Edith G. Socolow and A. Walter Socolow, as Trustees under Agreement dated November 24, 1976. This interest covers an undivided 1/18 interest, or 2.2222 net acres in the captioned lands.

This is to confirm that Doyle Hartman, 500 North Main, Midland, Texas 79701, plans to drill a 4100' Eumont gas well at a non-standard location in SW/4 SW/4 Section 3-20S-37E on a non-standard 120-acre drilling unit covering NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E. The estimated cost of this well is \$322,500 for a completed producer.

You have advised that the subject interest you represent desires to participate in the drilling of the proposed well as a working interest partner. The percentage working interest attributable to the 2.2222 net acres in the 120-acre drilling unit is 1.85185%.

A hearing before the Oil Conservation Division of the State of New Mexico is scheduled on November 18, 1981 in Santa Fe, New Mexico for the purpose of seeking approval for the non-standard location and unit and force pooling any interests not firmly committed to leasing to Mr. Hartman or working interest joinder.

Enclosed find copy of land plat of the subject area and Mr. Hartman's AFE for the drilling of the proposed well. Please furnish prior to the November 18, 1981 hearing date an approved copy of the AFE and check in the amount of \$5,972.22 as an advance payment for the estimated drilling and completion costs attributable to the subject 1.85185% interest.

If such check and a firm commitment to join or a commitment to lease to Mr. Hartman is not received prior to November 18, 1981, we will be forced to include the subject interest in the force pooling proceedings. The proposed well is intended to be commenced in the time slot of November 22, 1981 to December 1, 1981.

We will appreciate your early response.

Very truly yours,

E. M. Gorence

EIX/sg

10/19/81- No. Socolow Called - requireded (1) copy derd conveying the to marked in the Code of the control of the signed by Mr. Ho-inst Called Committee to he signed by Mr. Ho-inst Called Committee to home to say they intend to je in a committee of him we need to the say of the say of

E.M. GORENCE
Oil & Gas Properties
P.O. BOX 10460
MIDLAND, TEXAS 79702
October 16, 1981

Re: NW/4 SW/4 Section 3-20S-37E Lea County, New Mexico

Mr. & Mrs. A. Walter Socolow 45 East 82nd Street New York, New York 10028

6.0 Million Prome

Dear Mr. & Mrs. Socolow:

211-453-8627

A check of the county records indicates that Edith G. Socolow and A. Walter Socolow, as Trustees under Agreement dated November 24, 1976, own oil and gas leasing rights covering an undivided 1/18 (the Louis Gutman Estate owned an undivided 1/6) interest, or 2,22222 net acres in the captioned lands.

We are interested in purchasing a one year paid up oil and gas lease for a consideration of 1/4 royalty and \$150.00 per acre cash bonus, or a total of \$333.34. My check for such amount is enclosed.

If this offer is acceptable, please have the enclosed lease executed by each of you as Trustees before a notary public. The acknowledgments on the reverse side should also be completed. Your early return of the executed oil and gas lease will be much appreciated.

Please do not hesitate to call collect if you have any questions in this matter.

Yours very truly,

EMG/sg

THE FIRST NATIONAL BAN

E. M. Gorence

DAY Edith G. Socolow and A. Walter Socolow, as Trustees  TOTHE DEBEROF under Agreement dated November 24, 1976  Three hundred thirty-three and 34/100ths  Bonus consideration  E. M. GORENCE, SPECIAL							NUMBER 48
Three hundred thirty-three and 34/100ths DOLLA  Bonus consideration E. M. GORENCE, SPECIAL					_October	16 1981	88-388 1163
Three hundred thirty-three and 34/100ths DOLLA  Bonus consideration E. M. GORENCE, SPECIAL	)AY Edit TO THE ORDER OF Unde	n G. Socolov r Agreement	wand A. Waldated Novem	ter Socolor ber 24, 19	w, as Trustees	\$ 333	.34
The second secon					سے بنے بند بند مند مند جہ ج		DOLLARS
Oil and Gas Lease    111/4 Sti/4 Section 3-208-17E   Lea County, Hely Lexico	THIS CHEER IS DELINE	RED FOR PAIMENT ON THE	E FOLLOWING ACCOUNTS	· · · · · · · · · · · · · · · · · · ·			

### DOYLE HARTMAN

Oll Operator BGO'N. MAIN P. O. BOX 10426 MIDLAND, TEXAS 79702

> (915) 684-4011 November 4, 1981

Mr. A. Walter Socolow 660 Madison Avenue New York, New York 10021

Re: Proposed Eumont (Gas) Well S/2 SW/4 and NW/4 SW/4 Section 3, T-20-S, R-37-E Lea County, New Mexico

Dear Mr. Socolow:

At your request, we are enclosing two copies of the Authority for Expenditure and Detail Well Estimate which have been signed by our engineer, Larry Nermyr, and which set out the anticipated costs of drilling a 4100-foot Eumont (Gas) test. In the event you choose to participate in the drilling of the proposed well, please execute one copy of the enclosed AFE and return it to this office along with your check for your invoiced share of the anticipated cost of drilling the well. The second copy of the AFE may be retained for your files. Your prepayment will be credited against your account, and as the actual bills come in, your account will be adjusted accordingly.

Please let us know if we can furnish any further information in this regard.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Administrative Assistant

My chelle Hemeur

/mh

Enclosures as above

### DOYER HARTMAN

Off Operation SULT, SON CAR PERRECULAR CHARGES MDLATD, TEAAS 76701

19151 604 4011

INVOICE

Edith G. Socolow and A. Walter Socolow, As Trustees Under Agreement Dated November 24, 1976 660 Madison Avenue New York, New York 10021

DATE October 31, 19 81

DIVOICE NO. DH-1051

PLEASE SHOW INVOICE NUMBER OF YOUR REVIEWALLE.

21 Debit YOUR ACCOUNT AS LOLLOWS.

To invoice you for your proportionate share of the prepaid drilling cost on the Doyle Hartman operated Ellen Weir #1, Lea County, New Mexico.

Estimated Drilling	Your Billing	
Cost	Percentage	Total Due
\$322,500,00	XC8168.I	\$5972.22



# AUTHORITY FOR EXPENDITURE and



### DETAIL WELL ESTIMATE

LEASE NO				· · · · · · · · · · · · · · · · · · ·	APPR. NO.
LEASE NAME	Weir		WELL NO	1	W. I. 100%
COUNTY		STATE			Eumont (Gas)
LOCATION:	S/2 SW/4 & NW/	4 SW/4 Section 3,	T-20-S, R-37	!E	
DDU 1 (4) A 11)	41			Anonuota	nov uni c
DRILLING INTA				PRODUCER	DRY HOLE
1. Drilling Co	osi 4100 1 1/2 days 0 5	- Teel @ 18.5	O Per Foot	75,900	75,900
2. Day Work				8,300	8,300
3. Coring Sei	vice	Well Surveys	6,300	6,500	6,500
				4,900	4,900
		Water Mud_Logging		6,700	6,700
		Coment FI		10,700	3,600
		Contract Labor		300	The second secon
		Filling Pils		8,000	8,000
11. Acidizing	6000 Fracturin	Dredging & Grading 9 49,000 Perforating	2200	57,200	
12. Plugging .	Truptom	y			1,500
13. Trucking	Cost	·		12,000	12,000
14. Devolopme	ent Superintendence	20 days @ \$_	/day	6,000	3,000
15. Rental Eq	uinment			2,000	
16. Swabbing	and Testino			6,500	ped mili understandig (management under seine under se
17. Other Cos	Surface Damage	s		1,500	1,500
	Lining Pits			900	900
	Stake Location	1		400	400
	-7.1sv	To	lal Intangibles	207,800	133,200
100					
19. Tubing 20. Casing Ho 21. Xmas Tre 22. Pumping 23. Engine 24. Sucker Ro 25. Pump 26. Tank Bat 27. Separator 28. Metering 29. Flow Line 30. Other	3900 Ft. of ead ead ear Pumping Connect Unit eds ear Pumping Connect Unit eds ear Pumping Connect Unit eds ear Pumping Connect Equipment es ear Early	2 3/8 @ 3.5	O Per Ft.	43,800 13,700 1,200 2,000 22,500 1,600 7,100 2,300 3,300 4,000 3,200	5,400
	rower Line		<del></del>	6,000	and the second s
	uracetraneons	Ţ	otal Tangibles	4,000 114,700	6,300
			erai rangioida		~, 500 ~
	· · · · · · · · · · · · · · · · · · ·	TOTAL C	OST OF WELL	322,500	139,500
Section 6	Section 3. T	20-S, R-37-E.			(Gas) well test and SW/4 and NW/4 SW/4
Originated by _	Larry Nermyr		Title Eng		DateOctober 1, 19
Approved			Tille		Date
- PF-4188					

E.M. GORENCE Oil & Gas Properties P.O. BOX 10460 MIDLAND, TEXAS 79702

(915) 663 6222 -- OFFICE CA1 4329 -- HOME

September 30, 1981

151/4 Sil/4 and S/2 SW/4 Section 3-205-37E Lea County, llew liexico

Br. Roy G. Barton , 17 ux, Opel 300 V. Taylor

Hobbs, New Hexaco 88240

Dear Mr. Berton:

This is in confirmation of our telephone conversation of this date. A check of the records indicates that you own oil and gas leasing rights covering an undivided 1/24 interest or 5.00 net acres in the captioned lands.

We are interested in securing a lease on this interest and offer you the option of leasing for one year for 1/h royalty and no cash or leasing for two years for 3/16 royalty and \$150.00 per acre, totaling \$750.00.

We are taking the liberty of enclosing a paid up lease for execution by you and Hrs. Barton. This lease will have to be completed depending on the decision you make on this request. If a cash payment is necessary we will be glad to send a check immediately.

Your cooperation in this matter is much appreciated. Please do not hesitate to call collect if you have any further questions in this matter.

Yours very truly,

Surly participate

E. II. Gorence

2 1981

Who was well a list him to

### October 12, 1981

Re: NW/4 SW/4 and S/2 SW/4 Section 3-20S-37E Lea County, New Mexico

Hr. Roy G. Barton P. O. Dox 978 Robbis New Poxico 88240

Dear Mr. Barton:

Thank you for your early reply to our request for an oil and gas lease covering a 5.00 net acre interest (1/24) in the captioned lands.

We understand your desire to participate especially since it is our intention to cause the drilling of a well in the near future. To date, all other interests have elected to lease to us; therefore, we would like to make one more offer to you in the hope that we could remove the problems of an operating aggreement, etc. This offer is a 30% royalty for a 6 months lease.

We realize you may again elect to join but we did want to make this counter-offer available to you.

Your response in the enclosed stamped envelope will be much appreciated.

Yours very truly,

HB/8g

E. M. Gorence

No 1-190014

DOYLE HARTMAN
OR Operator
BOO N. MAIN
P. O. BOX 10426
MIDLAND, TEXAS 79702

(918) 684-4011 November 5, 1981

Mr. Roy G. Barton P. O. Box 978 Hobbs, New Mexico 88240

> Re: NW/4 SW/4 and S/2 SW/4 Section 3, T-20-S, R-37-B Lea County, New Mexico

Dear Mr. Barton:

Reference is made to recent correspondence from Mr. B. M. Gorence concerning the leasing of your 5.00 net acre interest (1/24) in the above captioned lands.

It is our understanding that you would like to participate in the drilling of a proposed 4100-foot Eumont Gas test. Enclosed are two copies of Authority for Expenditure and Detail Well Estimate showing our estimated costs for the drilling of the proposed well. Please indicate your intention to join by signing and returning one copy of the AFE. The second copy may be retained for your files.

We are also enclosing an invoice for your proportionate share of the anticipated cost of the well. Please return your check in the amount of \$13,437.47 with the executed AFE.

In the event you decide not to participate in the drilling of the proposed well, please feel free to accept one of the previous offers extended to you by Nr. Gorance. We hope to drill the well in early December, depending on rig availability.

Thank you very much for your consideration in this matter, and please do not hesitate to contact us if we can answer any questions.

Very truly yours,

DOYLE HARTMAN

Michelle Himline

Michelle Hembree Administrative Assistant

/mh

Enclosures as above

# AUTHORITY FOR EXPENDITURE :: ; and

## DETAIL WELL ESTIMATE

EASE NO.		en e					APP	R. NO
EASE NAME	Weir	· ·		WELL NO	0	<u>l</u>	W. I	100%
YTAUC	Lea		STATE .	New Mexi	co	FIELD	Eumont	(Gas)
CATION:	S/2 SW/4	& NW/4 SW/4 Secti	on 3,	T-20-S,	R-37-E			there are the the second secon
				n nie w ie worm we de ie gevin nach with a P. W nie we de aglen gevore de gevin de P. W. d. w		00011000	<b></b>	DDV HOLE
RILLING INTA		ere			r	RODUCER		DRY HOLE
I. Drilling Co	st 4100	s @ 5500/day	18.50	O Per Fool	t	75,900		75,900
					<del>-</del> '	8,300		8,300
. Coring Ser	vice	Well Survi	eys	6,500		6,500		6,500
. Testing _	<del></del>				•	The second second	eta (f	
Fred		197-1			<del>.</del>	4,900		4,900
		Water				6,700		6,700
		Mud Logging				10,700	-	3,600
Commoning	Service	Cement	F10	als		300	•	
		Contract Lab				8,000		8,000
		Filling Pits			<del>.</del>		• -	
Roads &	Bringes	Dredging & (acturing 49,000 Pe	raging _	2200	<del>-</del>	57,200	•	
								1,500
					<b>.</b>	12,000	•	12,000
. Trucking	VOSI	ence20 days	A 31	<del>5</del> 6	دور و ۱۹۹۰ کا شور د	6,000	* 150 To 47 1	3,000
					у	2,000		er an er
						6,500	- ,	
. Swabbing	and Testing			<del></del>			<u>.</u>	1 600
		amages		<del></del>	<b>.</b>	1,500 900	- ,	1,500 900
********	Lining Pi			<del></del>		400		400
	Stake Loc	a c ton	<del></del>	al Intangibles		207,800	-	133,200
		± 1	1016	ai milangibies	3	207,000	4 . 122	=======================================
D. Casing He D. Xmas Tre D. Pumping D. Engine D. Sucker Re D. Pump D. Tank Ball D. Separator D. Flow Line D. Other	ead or Pumping C Unit  cds tery or Deliydration Equipment S Water Tan Power Lin	Ft. of2_3/8_ @  onnections  Equip  k				13,700 1,200 2,000 22,500 1,600 7,100 2,300 3,300 4,000 3,200 6,000 4,000		900
The State of	HISCELLAN	eous	To	tal Tangibles	<u> </u>	114,700	• •	6,300
		· · · · · · · · · · · · · · · · · · ·		A# AF WEG		<b>22012 2 2200</b>	• •	
		· ·	JIAL GU	ST OF WELL		322,500	: =	139,500
MARKS:	The-subje _assigned _Section_3	ct-well is to ho to a 129-acre pro . T-20-S, R-37-E	drill oratio	ed-as-a-4 n_unit_co	4100-foo onsistin	t-Rumont s of \$/2	(Gas) - wo SW/4 and	ll_test_and_ LNW/4_SW/4
				prison & the White her targe		·		-
*****								
iginated by _	Larry Ner	myr	-	Tille	Enginee	r	Date	October 1,
		the second of the second					2	
proved				11110	<del></del>	<del></del>	Date	

Off Openion SHITE LAR FELICAL OFF SHIP OFFI MULATID, 11228 20201

19151 684 4011

INVOICE NO. DH-1052

Roy G. Barton et ux Opal P. O. Box 978 Hobbs, New Mexico 88240

1...

Debit your account as releases:

To invoice you for your proportionate share of the prepaid drilling cost on the Doyle Hartman operated Ellen Weir #1, Lea County, New Mexico.

Estimated Drilling Your Billing Percentage Total Due

\$322,500.00 X .0416666 \$13,437.47

UNLEASED INTERESTS: Nu/4 Su/4 and S/2 Su/4 Section 3-20S-37E, Lea County, New Mexico

Owner	NII/4 SW/4		S/2 Svi/4		Total	Percentage of	
<u> </u>	Interest	Net Acres	Interest	Net Acres	Net Acres	Unit (120 acres)	
Roy G. Barton and wife, Opal	1/24	1.66667	1/24	3.33333	5.00000	4.1667%	
Edith G. Socolow and A. Walter Socolow, Trustees	1/18	2.22222			2.22222	1.8518%	
B. A. Christmas, Jr.	1/96	.41667	1/96	.83333	1.25000	1.0417%	
Mary T. Christmas Holladay	1/384	.10417	1/384	.20833	.31.250	.26045	
Candy Christmas Alewine	1/384	.10/17	1/384	.20833	.31250	.2604;5	
Helen Jane Christmas Barby	1/384	.10417	1/384	.20833	.31250	.2604;	
Bradford Christmas	1/384	.10417	1/384	.20833	.31250	.2604;	
Security Trust Company,	elisa di Kabupatèn K Kabupatèn Kabupatèn						
Albuquerque, NM, Trustee, and Joyce Christmas Brown	1/48	.83333	1/48	1.66667	2.50000	2.0834;	
Estate of George Wesley Weir (Sole heirs appear to be Jimmy G heir, George W. Weir and Sue Ell				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
weir)	1/24	1.66667	1/24	3.33333	5.00000	4.16667%	
Gaines Hoyt Bolding	38/5760	.26389	38/5760	.52778	.79167	.6597%	
Dorothy Jean Sparger	38/5760	.26389	38/5760	.52778	.79167	.6597%	

See The Book of the Control of the C HARMAN 5 Countract to Aspeck
Hearing Date in 19/81

bocket No 40-81 is tentatively set for December 16, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 2, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROUM STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7396: (Continued from November 4, 1981, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Sentry Oil Exploration Company and Lawyers Surety Corporation to appear and show cause why Farr Vell No. 1, located in Unit G of Section 6, Township 31 North, Range 34 East, Union County, New Mexico, should not be ordered plugged and abandoned in accordance with a Division-approved plugging program.

- Application of Mark D. Wilson for an unorthodox gas well location, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North line and 1650 feet from the East line of Section 12, Township 17 South, Range 27 East, Wolfcamp-Fennsylvania: formations, the N/2 of said Section 12 to be dedicated to the well.
- C. ? 7430: Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Fruitland and Pictured Cliffs formations in the wellbore of its Gutierrez Gas Com "C" Well No. 1, located in the NE/4 of Section 4, Township 29 North, Range 9 West.
- CASE 7431: Application of Wainoco Oil & Gas Company for compulsory pooling and a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Portheast Lovington Penn Pool underlying a 101.65-acce non-standard oil proration unit comprising-Lots 3 & 4 of Section 18. Township 15 South, Range 37 Bast, 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 7425: (Continued and Readvertised)

Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 26. Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon, provided that in the event the subject well encounters production in the Casay-Strawn Pool and/or the West Knowles Drinkard Pool, the lands pooled would be the S/2 SW/4 of said Section 26. Applicant further seeks approval for the commencement of a second well within 120 days after completion of the first well, said well to be drilled at an unorthodox location 1650 feet from the South line and 660 feet from the West line of Section 26, and dedicated to the N/2 SW/4 of said Section 26 which applicant also seeks to be pooled. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost there of as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

### CAS3 7402: (Continued and Readvertised)

Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Abo formation under any the NW/4 NW/4 of Section 5, Township 20 South, Range 39

Bast, 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.

Page 2 Examiner Hearing- Wednesday - December 2, 1981

CASE 7432: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Bone Spring formation underlying the S/2 SW/4 of Section 27, Township 23 South, Range 28

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.

CARE 7421: (Readvertised)

Application of Doyle Hartman for compulsory pooling, unorthodex well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, soeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be didicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. 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.

### DOYLE HARTMAN

Oil Operator

500 N. MAIN
P. O. BOX 10426
MIDLAND, TEXAS 79702

(915) 684.4011 December 29, 1981



Mr. R. L. Stamets
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Compulsory Pooling
Case No. 7421
Ellen Weir No. 1
S/2 SW/4 and NW/4 SW/4
Section 3, T-20-S, R-37-E
Lea County, New Mexico

Dear Mr. Stamets:

Reference is made to the above captioned case, which was being readvertized and was to be heard in early January.

We have now received leases from all parties who indicated they would lease to us, and have received firm committments from those three parties who indicated they would join in the drilling of the well. It will no longer be necessary to hold a compulsory pooling hearing in order to pool any unleased interests. We appreciate very much your patience in this matter.

Very truly yours,

DOYLE HARTMAN

michele Hemene

Michelle Hembree Administrative Assistant

/mh

cc: Nr. William F. Carr

DOYLE HARTMAN

Oil Operator

BOO N. MAIN

P. O. BOX 10426 MIDLAND, TEXAS 79702

(915) 684-4011

December 21, 1981

M. R. L. Stamets State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Case No. 742

> Elten Weir No. 1 S/2 SW/4 and NW/4 SW/4 Sec. 3, T-20-S, R-37-E Lea County, New Mexico

#### Gentlemen:

Reference is made to the above captioned case, which is being readvertized and is to be heard in early January.

We have now received leases from all the parties who indicated they would lease to us. We do not wish to dismiss the case, however, until we have received something in writing or the payment of the bills from the three parties who indicated they wished to participate. When a firm committment is received from those three parties, the Commission will be notified.

Very truly yours.

DOYLE HARTMAN

michille sembre

Michelle Hembree Administrative Assistant

called 222 till the 28th

Dockets Nos. 3-82 and 4-82 are tentatively set for January 20 and February 3, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 6, 1982

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7410: (Continued from December 16, 1981, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SP/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7448: (Continued and Readvertised)

Application of Energy Reserves Group Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13. Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

- CASE 7451: 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 down through the Abo formation underlying the SE/4 of Section 11. Township 5 South, Range 25 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 7452: Application of Superior Oil Company for an unorthodox well location, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Penn well to be crilled 1980 feet from the South line and 2480 feet from the East line of Section 14, Township 23 South, Range 32 East, the S/2 of said Section 14, to be dedicated to the well.
- CASE 745]: Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and and Mississippian formations underlying the NE/4 NW/4 of Section 7. Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entry of said well.
- CASE 7454: Application of Uriah Exploration, Inc., for approval of an unorthdox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1090 feet from the North line and 560 feet from the East line of Section 30, Township 22 South, Range 25 East, Wolfcamp-Pennsylvanian formations, the N/2 of said Section to be dedicated to the well.
- Application of H. L. Brown, Jr. for compulsory pooling at an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-ctyled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Granite Wash formation underlying the S/2 of Section 11. Township 6 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 1300 feet from the South line and 660 feet from the East line of said Section 11. 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 7456: Application of Colonial Production Company for gas well commingling, Rio Arriba County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the commingling of Dallard-Pictured Cliffs production from its Jicarilla Apache Wells Nos. 9 and 10, located in Units A and C of Section 15, Township 23 North, Range 4 West, prior to metering.
- CASE 7457: Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Done Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.
- CASE 7458: Application of Marks & Garner Production Company for salt water disposal, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of salt water into the Bough C formation in the perforated interval from 9596 feet to 9616 feet in its Betenbough Well No. 2, located in Unit N of Section 12, Township 9 South, Range 15 East.
- CASE 7459: Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico.

  Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Mesa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.
- CASE 7460: Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.7? acres and each comprised of various contiguous lots or tracts in Sections 4,5,6,7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1056.
- CASE 7461: Application of Wainoco Oil & Gas Company for an unorthodox location, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for a well to be drilled at an unorthodox location 660 feet from the South and West lines of Section 18, Township 16 South, Range 37 East, Mortheast Lovington Penn Pool, said location being 177.7 feet west of the center of Lot 4 whereas the pool rules specify that well be drilled within 150 feet of the center of the lot. Lots 3 and 4 of said Section 18 would be dedicated to the well.

CASE 7421: (Readvertised)

"Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 330 feet from the West line of Section 3. 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.

Docket No. 2-82

DCCKET: COMMISSION HEARING - NONDAY- JANUARY 11, 1982
9 A.M. - OIL CONSERVATION COMMISSION ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7393: (DE NOVO)

Application of Uriah Exploration Incorporated for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco, Canyon and Horrow formations underlying the W/2 of Section 13, Township 22 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.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Page 2 COMMISSION HEARING - MONDAY - JANUARY 11, 1982

CASE 7394: (DE NOVO)

Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above's 'led cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the Earth line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Dockets Nos. 38-81 and 39-81 are tentatively set for December 2, and December 15, 1981. Application for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 19, 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1981, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for December, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and can to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.
- CASS 7356: (Continued from October 21, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a sell 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 7411: Application of Viking Petroleum, Inc., for an unorthodox gas well location, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the North and East lines of Section 12, Township 11 South, Range 27 East, the NE/4 of said Section 12 to be dedicated to the well. (This case will be dismissed).
- Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Yates, Queen, San Andres and Delaware formations in the open hole interval from 4375 feet to 7452 feet in its Lea "ZD" State Well No. 1 located in Unit M of Section 30, Township 13 South, Range 35 East, Air-Strip Field.
- CASE 7413: Application of Gulf Oil Corporation for Directional Drilling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to directionally drill its Arnott Ramsey Well No. 12, the surface location of which is 500 feet from the South line and 1400 feet from the East line of Section 32, Township 25 South, Range 37 East, to a bottomhole location within 150 feet of a point 500 feet from the South line and 800 feet from the East line of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool, the SE/4 SE/4 of said Section 32 to be dedicated to the well.
- CASE 7414: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Wantz-Granite Wash production in the wellbore of its Hugh Well No. 10, located in Unit C of Section 14, Township 22 South, Range 37 East.

- CASE 7415: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Tubb and Drinkard production in the wellbore of its T. R. Andrews Well No. 3, located in Unit J of Section 32, Township 22 South, Range 38 East.
- CASE 7379: (Continued from October 21, 1981, Examiner Hearing)

Application of JEM Resources, Inc., for vertical pool extension and special GOR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres Formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981.

CASE 7407: (Continued from November 4, 1981, Examiner Hearing)

Application of Mesa Petroleum Company 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 23, 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 7416: Application of El Piso Natural Gas Company for pool creation and redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Jalmat Gas Pool by deleting therefrom all lands in Township 26 South, Range 37 East. Applicant also proposes to contract the horizontal limits of the Rhodes Yates Seven Rivers Oil Pool by deleting therefrom all of the gas productive lands in the North end thereof and to create the Rhodes Yates-Seven Rivers Gas Pool comprising all such deleted lands. Applicant further proposes the deletion of certain oil productive lands from said Rhodes oil pool and the extension of the Scarborough Pool to include said lands. Applicant further proposes to contract the horizontal boundaries of the Rhodes Gas Storage Unit to delete certain lands and wells not participating in the Rhodes Gas Storage Project and to withdraw without restrictionall gas remaining in the newly created Rhodes Gas Pool.
- CASE 7417: (This case will be dismissed.)

CASE

Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4,5,6,7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

- CASE 7418: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Drinkard Pool including a special gas-oil ratio of 6,000 to one.
- CASE 7419: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Blinebry pool including a special gas-oil ratio of 4,000 to one.
- Application of Southland Royalty Company for two unorthodox oil well locations, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of two previously

  drilled wells, the first being 760 feet from the South line and 660 feet from the East line of Section 5

  the other being 660 feet from the North and West lines of Section 9, both in Township 19 South, Range
  35 East, both to be plugged back to the Scharb-Bone Springs Pool, the \$72 SE/4 of Section 5 and the

  N/2 NW/4 of Section 9, respectively, to be dedicated to the wells.
  - Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. 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.

- Page 3-*Examiner Hearing - Thursday - November 14, 1981
- CASE 7422: Application of Conoco, Inc. for dual completion and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Southeast Monument Unit Well No. 121, to produce oil from the Skaggs Grayburg and an undesignated Paddock pool through parallel strings of tubing. Applicant further seeks approval of the unorthodox location of said well 1310 feet from the North line and 1330 feet from the West line of Section 19, Township 20 South, Range 38 East, the NE/4 NW/4 of said Section 19 to be dedicated to the well.
- CASE 7423: Application of Conoco, Inc., for a waterflood project, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinebry oil and gas pool by the injection of water into the Blinebry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.
- CASE 7424: Application of Rice Engineering and Operating, Inc., for salt water disposal, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the

  Lower San Andres formation in the perforated interval from 4300 feet to 4852 feet in its Eunice
  Monument Eumont SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East.
- CASE 7425: Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the accessive decause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 36, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 594 feet from the South and West lines of said Section 26, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowless-Drinkard Pool, the lands pooled would be the W/2 SW/4 of said Section 26. 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 7426: Application of Phillips Petroleum Company for Amendment of Division Order No. R-5897 and certification of a tertiary recovery project, Lea County. New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-5897, to include the injection of carbon dioxide in the previously authorized pressure maintenance project in the East Vacuum Grayburg-San Andres Unit, for conversion of existing injectors to water/carbon dioxide injection, and for certification to the Secretary of the IRS that the East Vacuum Grayburg-San Andres Unit Project is a qualified tertiary oil recovery project.
- CASE 7427: Application of Belco Petroleum Corporation for a special allowable, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlsbad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.
- CASE 7428: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating; and extending 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 Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

### TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 2) SOUTH, RANGE 32 EAST, NHFM Section 14: SE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4; Tormship 21 South, Range 34 East, NMPM. Said pool would comprise:

### TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM Section 4: SW/4

(4) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

#### TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

#### TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

### TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM Section 21: 5/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

#### TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM Section 32: E/2 Section 33: All

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

#### TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 11: All Section 15: N/2

(i) EXTEND the Baldridge Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

#### TOWNSHIP 24 E JUTH, RANGE 24 EAST, NMPM Section 14: N/2

(j) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

### TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM Section 28: N/2 SE/4

(k) EXTEND the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

### TOWNSHIP 8 SOUTH RANGE 37 EAST, NMPM Section 10: SE/4

(1) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

#### TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM Section 4: All

in Numerical Science

Examiner Hearing - Thursday - November 14, 1981

(m) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM Section 13: SE/4 SW/4

(n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 35: W/2

(0) EXTEND the Eagle Creek Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM Section 1: All

(1) EXTERD Like Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NNPM Section 8: S/2

(q) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM Section 34: N/2 Section 35: N/2

(r) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM Section 8: 5/2 S/2

(s) EXTEND the West Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM Section 35: N/2

(t) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

(u) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM Section 29: NE/4

(v) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM Section 4: 5/2

(w) EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM Section 32: NE/4

Examiner Hearing - Thursday - November 14, 1981

(x) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM Section 8: NE/4

(y) EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM Section 10: NE/4

(z) EXTEND the Teague-Abo Pool in Lea County, New Mexico, to include therein:

TOWISHIP 23 SOUTH, RANGE 37 EAST, NMPM Section 27: NW/4

(aa) EXTEND the Tom-Tom-Sin Andres Fool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, PANGE 31 EAST, NEPM Section 28: SE/4

(bb) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM Section 21: All

(cc) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SCOTH, RANGE 32 EAST, NMPM Section 9: NE/4

### CAMPBELL, BYRD & BLACK, P.A.

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 220B

SANTA FE. NEW MEXICO 875UI
TELEPHONE; (505) 988-4421
TELECOPIER: (505) 983-6043

October 28, 1981

Division Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7421

Re: Application of Doyle Hartman for Compulsory Pooling, Unorthodox Well Location and Non-Standard Spacing Unit, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Doyle Hartman in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on November 19, 1981.

Very truly yours

William F. Carr

WFC: 1r

Enclosures

cc: Mr. Doyle Hartman

Mr. William P. Aycock

BEFORE THE

### OIL CONSERVATION DIVISION

### NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING, UNORTHODOX WELL LOCATION AND NON-STANDARD SPACING UNIT LEA COUNTY, NEW MEXICO.

Case 7421

### APPLICATION

Comes now DCYLE HARTMAN, by and through his undersigned attorneys, and hereby applies to the New Mexico Oil Conservation Division for an order creating a nonstandard spacing unit consisting of 120 acres being the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, N.M.P.M., Eumont Gas Pool, pooling all interests in said nonstandard spacing unit and approving the unorthodox well location of his Ellen Weir Gas Com No. 1 Well to be located 2,310 feet from the South line and 330 feet from the West line of said Section 3 and in support thereof would show the Division:

- 1. Applicant owns or controls through farmout 77% of the working interest in and under the 120 acre nonstandard spacing unit comprised of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico and has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced nonstandard spacing unit to its Ellen Weir Gas Com No. 1 Well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of said Section 3.
- 3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all working interest owners in the above-referenced nonstandard spacing unit except the

### following:

J. Hiram Moore; Betty Jane Moore, and Michael Harrison Moore, Trustees	5% WI
Roy G. Barton	4.17% WI
Estate of George W. Weir	4.17% WI
Gaines Hoyt Bolding	.66% WI
Dorothy Jean Sparger	.06% WI
Security Trust Company, Albuquerque, New Mexico, Trustee under certain	
trust agreement executed by John Allen Brown and Joyce Christmas Brown	2.08% WI
B.A. Christmas	1.04% WI
Helen Jane Christmas Barby	.26% WI
Candy Christmas Alewine	.26% WI
Mary T. Christmas Holladay	.26% WI
Bradford Christmas	.26% WI
Charles Gutman	2.28% WI
Edith G. Socolow and A. Walter Socolow,	1.85% WI
Trustees of the Rodanjo Trust	

- 4. Approval of the proposed nonstandard spacing unit, the pooling of interests therein and approval of the unorthodox well location for the Ellen Weir Gas Com No. 1 Well will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled and the applicant should be designated operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner and that after notice and hearing is required by law, the Division enter its order (1) creating the proposed nonstandard spacing unit, (2) approving the unorthodox location for the Ellen Weir

Gas Com No. 1 Well and (3) pooling the lands, including provisions designating the applicant is operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, and its cost of supervision while drilling, and after completion, including overhead charges, and imposing a risk penalty for the risk assumed by the applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

Respectfully submitted.

CAMPBELL, BYRD & BLACK, P.A.

Βv

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421

Attorney for Applicant

Kap of Say

### 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. 7421 Order No. R-6877

APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING, UNORTHODOX WELL LOCATION AND NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 6, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter

NOW, on this _____ day of January, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

### FINDS:

That the applicant's request for dismissal should be granted.

### IT IS THEREFORE ORDERED:

That Case No. 7421 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY, Director

*y* 

SEAL