

EXPLORATORY
UNIT NAME: NORTH DAGGER DRAW UPPER PENN UNIT
OPERATOR: YATES PETROLEUM CORPORATION
COUNTY: EDDY

DATE APPROVED	OCC CASE NO. OCC ORDER NO.	TOTAL ACREAGE	STATE	FEDERAL	INDIAN FEE	SEGREGATION CLAUSE	TERM
EFFECTIVE 02/01/2005	CASE NO. 13227 CASE NO. 13228 ORDER NO. R-12251	5612.95	1040.00	1805.17	2767.78	All Leases Extended if	5 YEARS SO LONG AS

APPROVALS

Sharing in Unit
Participation

SLO--01-28-2005
OCD--12-20-2004

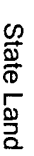
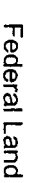
TOWNSHIP 19 SOUTH, RANGE 25 EAST

SECTION 16: ALL
SECTION 17: ALL
SECTION 18: LOTS 3, 4, E/2SW/4, SE/4NW/4, SW/4NE/4, E/2NE/4, SE/4
SECTION 19: ALL
SECTION 20: ALL
SECTION 21: ALL
SECTION 28: ALL
SECTION 29: ALL
SECTION 30: ALL

YATES PETROLEUM CORPORATION

UPPER PENN UNIT

4-95



Scale: 2.5 inches = 1 mile

Lease	Acres	Percent
Federal	1805.17	32.16%
State	1040.00	18.53%
Fee	2767.78	49.31%
Total	5612.95	100.00%

NORTH DAGGER DRAW UPPER PENN UNIT

1	80.00	Federal	8a	40.00	State	29	80.00	Fee
1a	80.00	Federal	8b	40.00	State	30	40.00	Fee
1b	40.00	Federal	8c	40.00	State	31	40.00	Fee
1c	121.27	Federal	8d	40.00	State	32	120.00	Fee
1d	40.00	Federal	9	40.00	State	33	20.00	Fee
1e	120.00	Federal	9a	40.00	State	34	20.00	Fee
1f	80.00	Federal	9b	80.00	State	35	80.00	Fee
1g	80.00	Federal	10	40.00	Fee	35a	40.00	Fee
2	41.22	Federal	10a	80.00	Fee	36	20.00	Fee
3	120.00	Federal	10b	40.00	Fee	37	20.00	Fee
3a	40.00	Federal	11	80.00	Fee	38	80.00	Fee
3b	160.00	Federal	11a	40.00	Fee	38a	80.00	Fee
3c	80.00	Federal	11b	80.00	Fee	39	40.00	Fee
3d	40.00	Federal	12	80.00	Fee	40	40.00	Fee
3e	40.00	Federal	13	40.00	Fee	41	40.00	Fee
3f	40.00	Federal	13a	80.00	Fee	41a	20.00	Fee
3g	40.00	Federal	13b	40.00	Fee	42	20.00	Fee
3h	40.00	Federal	13c	40.00	Fee	43	160.00	Fee
4	40.00	Federal	14	80.00	Fee	44	80.00	Fee
4a	80.00	Federal	14a	40.00	Fee	44a	20.00	Fee
4b	40.00	Federal	15	41.21	Fee	45	20.00	Fee
4c	40.00	Federal	16	41.24	Fee	46	40.00	Fee
4d	121.33	Federal	17	41.27	Fee	47	10.00	Fee
4e	41.35	Federal	18	121.30	Fee	48	10.00	Fee
4f	120.00	Federal	19	40.00	Fee	49	20.00	Fee
5	40.00	Federal	20	20.00	Fee	50	40.00	Fee
6	80.00	State	21	10.00	Fee	51	40.00	Fee
6a	40.00	State	22	10.00	Fee	52	81.37	Fee
6b	40.00	State	23	40.00	Fee	53	81.39	Fee
6c	40.00	State	24	40.00	Fee			
6d	40.00	State	25	40.00	Fee			
6e	80.00	State	25a	40.00	Fee			
6f	160.00	State	26	40.00	Fee			
7	160.00	State	27	40.00	Fee			
8	80.00	State	28	40.00	Fee			

Lease	Acres	Percent
Federal	1805.17	32.16%
State	1040.00	18.53%
Fee	2767.78	49.31%
Total	5612.95	100.00%

EXHIBIT "B"
SCHEDULE OF OWNERSHIP
SCHEDULE SHOWING ALL LANDS AND LEASES WITHIN THE NORTH DAGGER DRAW UPPER PENN UNIT
EDDY COUNTY, NEW MEXICO

SUSAN VIERRA
4/8/04

TR	TRACT	DESCRIPTION	ACRES	SERIAL NUMBER AND	LESSEE OF RECORD	BASIC ROYALTY	OVERRIDING ROYALTY	WORKING INTEREST	REFERENCE	
#	OF LANDS			EXPIRATION DATE	AND PERCENTAGE	AND PERCENTAGE	AND PERCENTAGE			
1	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 17: E2NW/4	80.000000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	ESTATE OF LILLIE M. YATES 0.425780 SHARBRO OIL LIMITED COMPANY 0.418920 TRUST Q.UWMO PEGGY A. YATES 0.141860 VATES DRILLING COMPANY 0.754560 VATES PETROLEUM CORPORATION 6.111850 VATES, JOHN A. 3.125000 0.156250 0.067010 3.062500	1.041700 OPERATING 1.041700 AGREEMENT 1.041600 CONOCO, INC. 2.083300 JENNY COM 1, 2 89.750000 SECTION 17: NW/4 1.041700 403-5-12 4-1-1993
1a	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 17: NWSE/4	80.000000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	ESTATE OF LILLIE M. YATES 0.425780 SHARBRO OIL LIMITED COMPANY 0.418920 TRUST Q.UWMO PEGGY A. YATES 0.141860 VATES DRILLING COMPANY 0.754560 VATES PETROLEUM CORPORATION 6.111850 VATES, JOHN A. 3.125000 0.156250 0.067010 3.062500	1.041700 OPERATING 1.041700 AGREEMENT 1.041600 CONOCO, INC. 2.083300 SECTION 17: SE/4 93.750000 403-5-18 4-1-1993 1.041700
1b	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 18: SE4NW/4	40.000000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	VATES PETROLEUM CORPORATION 2.343750 0.468750 0.156250 0.143400 1.692500 0.156250 3.125000 1.156250 2.343750	100.000000 OPERATING AGREEMENT SECTION 18: NW/4 JOHNSTON / HANKS (SEE D O OPINION) 401-209-G 1-18-1971
1c	121.27	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 18: LOT 3 (NW/4SW/4), E2SW/4	121.270000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	VATES PETROLEUM CORPORATION 2.343750 0.468750 0.156250 0.143400 1.692500 0.156250 3.125000 1.156250 2.343750	100.000000
1d	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 18: NW/4SE/4	40.000000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	ESTATE OF LILLIE M. YATES 0.425780 SHARBRO OIL LIMITED COMPANY 0.418920 TRUST Q.UWMO PEGGY A. YATES 0.141860 VATES DRILLING COMPANY 0.754560 VATES PETROLEUM CORPORATION 6.111850 VATES, JOHN A. 3.125000 0.156250 0.067010 3.062500	8.333333 8.333334 8.333333 16.666666 50.000000 8.333334
1e	120.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 18: NE/4SE/4, S2SE/4	120.000000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	VATES PETROLEUM CORPORATION 2.343750 0.468750 0.156250 0.143400 1.692500 0.156250 3.125000 1.156250 2.343750	100.000000
1f	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 18: S2NE/4	80.000000	NMA-1372	L. C. JOHNSON	100.000000 USA	12.500000	BATES, SELMA L. CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E., JR. DAWSON, NEVA CHAMBERS FREEMAN, ALICE ANN HANKS LEA CORPORATION LIPSCOMB, CELESTE CHAMBERS PAYNE, JOHNSTON MANAGEMENT INC #1 PAYNE, JOHNSTON MANAGEMENT INC #2 PROBANDT, W. T. ROUTH, A. M.	ESTATE OF LILLIE M. YATES 0.425780 SHARBRO OIL LIMITED COMPANY 0.418920 TRUST Q.UWMO PEGGY A. YATES 0.141860 VATES DRILLING COMPANY 0.754560 VATES PETROLEUM CORPORATION 6.111850 VATES, JOHN A. 3.125000 0.156250 0.067010 3.062500	0.520855 OPERATING AGREEMENT 0.520850 CONOCO, INC. 1.041670 SECTION 18: NE/4 96.875000 403-5L 2-7-1980 0.520850

#	TRACT ACRES	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSOR OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE	
3e	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 20: NE4SW/4 36	40.000000	NM-0557142 FEDERAL - HBP	YATES PETROLEUM CORPORATION	USA	12.500000 JUDSON PROPERTIES, LTD KOCHERGEN ENTERPRISES FAMILY LAI CORPORATION LAIK, STEPHENE MARTIN LIVING TRUST	0.416680 2.500000 0.416680 2.500000 0.416680 0.416680 COLL. CHARLES H. COLL. CLARKE C. COLL. ERIC J. COLL. JON F. COLL. JON F. II COLL. MAX W. II COLL. MAX W. III COLL. SALLY RODGERS DETENPPE, MELANIE COLL ESTATE OF LILLIE M. YATES MARSHALL & WINSTON, INC. PANHANDLE ROYALTY COMPANY SHARRO OIL LIMITED COMPANY TRUST Q. UWVO PEGGY A. YATES YATES DRILLING COMPANY YATES PETROLEUM CORPORATION YATES, JOHN A.	3.819445 0.171875 0.527243 0.527243 1.171875 0.083671 0.703125 0.016760 0.468750 0.016760 3.819445 3.125000 9.375000 3.819445 1.909722 7.638869 59.895600 1.909722	OPERATING 3.819445 AGREEMENT 1.171875 SECTION 20: S/2 4-16-1975
3f	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM SECTION 20: NW4SE/4 36	40.000000	NM-0557142 FEDERAL - HBP	YATES PETROLEUM CORPORATION	USA	12.500000 JUDSON PROPERTIES, LTD KOCHERGEN ENTERPRISES FAMILY LAI CORPORATION LAIK, STEPHENE MARTIN LIVING TRUST	0.416680 2.500000 0.416680 2.500000 0.416680 0.416680 COLL. CHARLES H. COLL. CLARKE C. COLL. ERIC J. COLL. JON F. COLL. JON F. II COLL. MAX W. II COLL. MAX W. III COLL. SALLY RODGERS DETENPPE, MELANIE COLL ESTIE G. HOLDEN TESTAMENTARY ESTATE OF LILLIE M. YATES GENDROW, J. W. GOODNOW, DAVID HODGE, JOSEPH R. HODGE, SANFORD J. III KAWASANI, DR. ISAAC A. KELLER, BETSY H. MOORE, CHARLES CLINE MYCO INDUSTRIES, INC. OLIVER, WILLIAM B. TRUST PANHANDLE ROYALTY COMPANY SCHULMAN, ADOLPH P. SHARRO OIL LIMITED COMPANY SPACE BUILDING CORPORATION TRUST Q. UWVO PEGGY A. YATES VAN VANKEN, FREDERICK, JR. YATES DRILLING COMPANY YATES PETROLEUM CORPORATION YATES, JOHN A.	3.298611 0.004129 0	

#	TRACT ACRES	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSEE OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE			
6	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, E2NE1/4	80.000000	E-10167-4 NM-402-104 STATE - HBP	YATES PETROLEUM CORPORATION	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	MCCOWN, CATHE CONE NEARBURG EXPLORATION COMPANY SACRAMENTO PARTNERS LIMITED SPIRAL, INC. YATES PETROLEUM CORPORATION YATES PETROLEUM CORPORATION	0.312740 25.000000 0.394110 0.394110 71.944624 100.000000	OPERATING AGREEMENT BOYD X SECTION 16, N2 402-104-C 2-11-1974
6a	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, NW1/4SW1/4	40.000000	E-10167-5 NM-402-104 STATE - HBP	NEARBURG EXPLORATION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	BELLO, ERNIE BROWN BROTHERS HARRIMAN TRUST BUNN, FRANCES B. ELSIE G. HOLDEN, TESTAMENTARY GENDRON, J. W. GOODNOW, DAVID HODGE, JOSEPH R. HODGE, SANFORD J. III KAWASAKI, DR. ISAAC A. KELLER, BETSY H. MOORE, CHARLES CLINE NEARBURG EXPLORATION COMPANY OLIVER, WILLIAM B. TRUST SCHULMAN, ADOLPH P. SPACE BUILDING CORPORATION UNIT PETROLEUM COMPANY VAN VRANKEN, FREDERICK, JR. YATES PETROLEUM CORPORATION	0.099103 0.099103 0.099103 0.049551 0.148654 0.099103 0.016517 0.016517 0.099103 0.049551 0.247757 4.166667 0.099103 0.099103 0.247757 34.632390 0.099103 59.431615	OPERATING AGREEMENT BOYD X SECTION 16, N2 402-104-C 2-11-1974
6b	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, NW1/4SE1/4	40.000000	E-10167-5 NM-402-104 STATE - HBP	NEARBURG EXPLORATION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	BELLO, ERNIE BROWN BROTHERS HARRIMAN TRUST BUNN, FRANCES B. ELSIE G. HOLDEN, TESTAMENTARY HODGE, SANFORD J. III KELLER, BETSY H. NEARBURG EXPLORATION COMPANY OLIVER, WILLIAM B. TRUST UNIT PETROLEUM COMPANY VAN VRANKEN, FREDERICK, JR. YATES PETROLEUM CORPORATION	0.033140 0.033140 0.016570 0.006524 0.016570 37.620133 0.033140 24.522231 0.033140 37.653272	OPERATING AGREEMENT BOYD X ST COM 10 0.016570 SECTION 16, SE1/4 8-25-1995
6c	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, SW1/4SE1/4	40.000000	E-10167-5 NM-402-104 STATE - HBP	NEARBURG EXPLORATION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	BELLO, ERNIE BROWN BROTHERS HARRIMAN TRUST BUNN, FRANCES B. NEARBURG EXPLORATION COMPANY OLIVER, WILLIAM B. TRUST SPACE BUILDING CORPORATION UNIT PETROLEUM COMPANY VAN VRANKEN, FREDERICK, JR. YATES PETROLEUM CORPORATION	0.033034 0.033034 0.033034 37.500000 0.003304 0.003304 24.443924 0.033034 37.898320	OPERATING AGREEMENT BOYD X ST COM 10 37.500000 SECTION 16, SE1/4 8-25-1995
6d	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, SE1/4SE1/4	40.000000	E-10167-5 NM-402-104 STATE - HBP	NEARBURG EXPLORATION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	BELLO, ERNIE BROWN BROTHERS HARRIMAN TRUST BUNN, FRANCES B. HODGE, SANFORD J. III NEARBURG EXPLORATION COMPANY OLIVER, WILLIAM B. TRUST SPACE BUILDING CORPORATION UNIT PETROLEUM COMPANY VAN VRANKEN, FREDERICK, JR. YATES PETROLEUM CORPORATION	0.033123 0.033123 0.006521 37.601442 0.033123 0.062906 24.510046 0.033123 37.654565	OPERATING AGREEMENT BOYD X ST COM 10 0.006521 SECTION 16, SE1/4 8-25-1995
6e	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 28, N2SW1/4	80.000000	E-10167-5 NM-402-104 STATE - HBP	NEARBURG EXPLORATION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	NEARBURG EXPLORATION COMPANY YATES PETROLEUM CORPORATION	25.000000 75.000000	OPERATING AGREEMENT BOYD X STATE COM #2 SECTION 29, SW1/4 402-104-E
6f	160.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 28, SE1/4	160.000000	E-10167-5 NM-402-104 STATE - HBP	NEARBURG EXPLORATION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	NEARBURG EXPLORATION COMPANY YATES PETROLEUM CORPORATION	50.000000 50.000000	OPERATING AGREEMENT BOYD X ST 3 SECTION 28, SE1/4 402-104-I 1-15-1993
7	160.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, W2NE1/4, N2NW1/4	160.000000	E-11897-1 NM-402-104-A STATE - HBP	BP AMERICA PRODUCTION COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	YATES PETROLEUM CORPORATION	100.000000	OPERATING AGREEMENT BOYD X SECTION 16, N2 402-104-C 2-11-1974
8	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, SW1/4	80.000000	E-11897-1 NM-402-104-B STATE - HBP	AMERICAN NATIONAL PETROLEUM CO.	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	YATES PETROLEUM CORPORATION	100.000000	OPERATING AGREEMENT BOYD X SECTION 16, N2 402-104-C 2-11-1974
8a	40.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N4PM SECTION 16, NW1/4SW1/4	40.000000	E-11897-1 NM-402-104-B STATE - HBP	UNIT PETROLEUM COMPANY	100.000000	COMMISSIONER OF PUBLIC LANDS	12.500000	NONE	BELLO, ERNIE BROWN BROTHERS HARRIMAN TRUST BUNN, FRANCES B. ELSIE G. HOLDEN, TESTAMENTARY GENDRON, J. W.	0.099103 0.099103 0.049551 0.148654	OPERATING AGREEMENT BOYD X SECTION 16, N2 402-104-C 2-11-1974

TRACT #	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSEE OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE
12	TOWNSHIP 18 SOUTH, RANGE 23 EAST, NMPM SECTION 17, 32SE4		NM-403-SN FEE - HBP	YATES PETROLEUM CORPORATION	HINKLE, CHARLES E. HINKLE, JAMES L. L. L. L.	0.073240		
		2.500000	NM-403-SO FEE - HBP	YATES PETROLEUM CORPORATION	HINKLE, JAMES H. & BETTY R. HOWELL, SHIRLEY M.	0.146480 0.036620		
		5.000000	FLOYD CHILDRESS, ETUX / CONOCO	YATES PETROLEUM CORPORATION	KINCAID, HUGH M. LANDSHEFT, WILLIAM BRYAN	0.195320 0.214840		
		5.000000	CLARENCE E. HINKLE, ETUX / CONOCO	YATES PETROLEUM CORPORATION	LANDSHEFT, LOU ANN LANGFORD, JEFFERSON MILLER	0.130200 0.195320		
		5.000000	FEE - HBP R. R. HINKLE ESTATE / CONOCO	YATES PETROLEUM CORPORATION	LANGFORD, ROBERT GLASS MARFORD, EDDIE M. & VALERIE	0.195320 0.097860		
		7.500000	DON PHILLIPS & ASSOCIATES / CONOCO	YATES PETROLEUM CORPORATION	MARSHALL, CLARIBEL Y. TRUST MCCAW, WILLIAM JACK	0.073240 0.280420		
		2.500000	QUETICO SUPERIOR FOUNDATION / CONOC	YATES PETROLEUM CORPORATION	MCDONALD, JACK SCOTT MCDONALD, JAMES C. JR.	0.520840 0.878900		
		10.000000	FEE - HBP MARSHALL & WINSTON, INC. / CONOCO	YATES PETROLEUM CORPORATION	MCDONALD, CYDNEY MCDONALD PATTERSON, RANDY G.	0.280400 0.073240		
					PHILLIPS, DON & ASSOCIATES QUETICO SUPERIOR FOUNDATION	0.595840 0.878820		
					R. R. HINKLE COMPANY, INC. RABURN, MARGARET SWOPE	0.107420 0.069800		
					RAND, HELEN CHASE TRUST RIDDLE, MARY G.	0.073240 0.058340		
					ROCHE, GAYLE GLASS SARTORI, JENNA HINKLE	0.036620 0.097860		
80.00	TOWNSHIP 18 SOUTH, RANGE 23 EAST, NMPM SECTION 17, 32SE4		ROY E. GLASS, ETUX	YATES PETROLEUM CORPORATION	SAUNDERS, ALLISON CLAIRE C. SCHAFFER, THELMA M.	0.214840 0.104160		
		20.000000	NM-403-SC FEE - HBP	YATES PETROLEUM CORPORATION	SCOTT, KENNA CARTER SWOPE, JAMES R.	0.107420 0.195300		
					TURNER, GAYLE ELIZABETH L. VAN WINKLE, JOANNE D.	0.073240 0.781240		
		20.000000	CORDELLA M. KINCAID, ETAL	YATES PETROLEUM CORPORATION	VATES BROTHERS BECK, RAY HALL	0.195320 0.439440		
		2.500000	CA LAND & CATTLE CO. / CONOCO	YATES PETROLEUM CORPORATION	BOWEN, BETTYANNE H. LIVING 8.333333	0.073240		
		2.500000	FEE - HBP J. MARSHALL, ETUX / CONOCO	YATES PETROLEUM CORPORATION	CARTER, MICHAEL T. 4.186667	0.104160		
		5.000000	FLOYD CHILDRESS, ETUX / CONOCO	YATES PETROLEUM CORPORATION	CARTER, STERLING MARC 4.186667	0.104160		
		5.000000	CLARENCE E. HINKLE, ETUX / CONOCO	YATES PETROLEUM CORPORATION	CAULFIELD PROPERTIES PARTNERSHIP 4.186667	0.399820		
		5.000000	FEE - HBP R. R. HINKLE ESTATE / CONOCO	YATES PETROLEUM CORPORATION	CHILDRESS, SHIRLEY 75.000000	0.520840		
		7.500000	DON PHILLIPS & ASSOCIATES / CONOCO	YATES PETROLEUM CORPORATION	CRANFORD, JO ALICE 8.333333	0.097860		
		2.500000	QUETICO SUPERIOR FOUNDATION / CONOC	YATES PETROLEUM CORPORATION	CURRY, ALFRED POT, IV 4.186667	0.195300		
		10.000000	MARSHALL & WINSTON, INC. / CONOCO	YATES PETROLEUM CORPORATION	DESPER, LYNN E. 4.186667	0.073240		
80.00	TOWNSHIP 18 SOUTH, RANGE 23 EAST, NMPM SECTION 17, 32SE4		ROY E. GLASS, ETUX	YATES PETROLEUM CORPORATION	ELLIS, SALLY A. 4.186667	0.195320		
		20.000000	CORDELLA M. KINCAID, ETAL	YATES PETROLEUM CORPORATION	HARPER, B. W. 4.186667	0.195320		
		2.500000	CA LAND & CATTLE CO. / CONOCO	YATES PETROLEUM CORPORATION	HINKLE LIVING TRUST HINKLE, CHARLES E.	0.073240		
		2.500000	FEE - HBP J. MARSHALL, ETUX / CONOCO	YATES PETROLEUM CORPORATION	HINKLE, JAMES L. L. L. L.	0.146480		
		5.000000	FLOYD CHILDRESS, ETUX / CONOCO	YATES PETROLEUM CORPORATION	HOWELL, JAMES H. & BETTY R. HOWELL, SHIRLEY M.	0.036620 0.195320		
		5.000000	CLARENCE E. HINKLE, ETUX / CONOCO	YATES PETROLEUM CORPORATION	KINCAID, HUGH M. LANDSHEFT, WILLIAM BRYAN	0.195320 0.130200		
		7.500000	DON PHILLIPS & ASSOCIATES / CONOCO	YATES PETROLEUM CORPORATION	LANGFORD, JEFFERSON MILLER LANGFORD, LOU ANN	0.097860 0.195320		
		2.500000	QUETICO SUPERIOR FOUNDATION / CONOC	YATES PETROLEUM CORPORATION	LANGFORD, ROBERT GLASS MARFORD, EDDIE M. & VALERIE	0.520840 0.878900		
		10.000000	MARSHALL & WINSTON, INC. / CONOCO	YATES PETROLEUM CORPORATION	MARSHALL, CLARIBEL Y. TRUST MCCAW, WILLIAM JACK	0.073240 0.280420		
					MCDONALD, JACK SCOTT MCDONALD, JAMES C. JR.	0.520840 0.878900		
					MCDONALD, CYDNEY MCDONALD PATTERSON, RANDY G.	0.280400 0.073240		
					PHILLIPS, DON & ASSOCIATES QUETICO SUPERIOR FOUNDATION	0.595840 0.878820		
					R. R. HINKLE COMPANY, INC. RABURN, MARGARET SWOPE	0.107420 0.069800		

TRACT #	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSEE OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE
25	40.00 TOWNSHIP 19 SOUTH, RANGE 25 EAST, NM4M SECTION 20 SEASW4							
		1.250000	LILLIAN HINKLE COLL. TRUSTEE NM-403-497-M FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		2.500000	MARSHALL & WINSTON, INC. / MARAT NM-403-4786 FEE - HBP	YATES PETROLEUM CORPORATION 100.000000				
		2.500000	FLAG REEFERN OIL COMPANY / MUNRO NM-497-1 FEE - HBP	YATES PETROLEUM CORPORATION				
		5.833333	CARL E. ROSS / ROGER HANKS NM-403-497 FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667	DEVON ENERGY PRODUCTION CO., LP GOOD EARTH MINERALS, LLC HEARD, MYRTLE HICKMA, JEWEL T 33 333333 16 666667			
		2.500000	BONNIE H. MORRISON / READING & NM-403-497-A FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667	NEARBURO EXPLORATION COMPANY PANHANDLE ROYALTY COMPANY POWELL, BONNIE ROSS, BERT A. & OLETA F. ROSS, GARY ROSS, J. T. 8 333333 16 666667			
		15.000000	NEW MEXICO OSAGE COOP NM-403-497-B FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667	ROSS, JOE E. ROSS, RALPH ROSS, ROBERT ROSS, ROMAN ROSS, WILLIAM SHEETS, ELIZABETH RUTH NIXON WEDDERBURN PROPERTIES, LLC 16 666667 8 333333			
		1.866667	LENA W. HILDT, ETAL NM-403-497-C FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		0.833333	JOE E. ROSS / ROGER HANKS NM-403-497-E FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		0.833333	ALTON ROSS / ROGER HANKS NM-403-497-G FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		0.833333	BONNIE POWELL / ROGER HANKS NM-403-497-H FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		0.833333	JEWELL HICKAM / ROGER HANKS NM-403-497-I FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		0.833333	MYRTLE HEARD / ROGER HANKS NM-403-497-J FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		0.833333	C. R. NIXON, ETUX / ROGER HANKS NM-403-497-K FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		3.750000	COLL PRODUCTION, INC. / ROGER HANKS NM-403-497-L FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				
		1.250000	LILLIAN HINKLE COLL. TRUSTEE NM-403-497-M FEE - HBP	ABO PETROLEUM CORPORATION SHARBR OIL LIMITED COMPANY TRUST Q UWIO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. 8 333333 16 666667				

TR	TRACT	DESCRIPTION	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSEE OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERBURDEN ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE
25a	40.00	TOWNSHIP 18 SOUTH, RANGE 25 EAST, N4M4 SECTION 20: SW1/4SW1/4	5.833333	FLAG REDEEMER OIL COMPANY / MUNRO FEE - HBP NM-497-T	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. VATES PETROLEUM CORPORATION	DEVON ENERGY PRODUCTION CO., LP GOOD EARTH MINERALS, LLC HEARD, MYRTLE HICKAM, JEWELL T. MATLOCK MINERALS LIMITED COMPANY NEARBY EXPLORATION COMPANY POWELL, BONNIE ROSS, BERT A. & OLETA F. ROSS, GARY	CHAMBERS, LOUIE DEE KING, ESTATE CHAMBERS, ROBERT E. JR. CURRY, FLORENCE M. ESSMAN DAWSON, NEVA CHAMBERS, ESSMAN, JAMES H. FREEMAN, ALICE ANN HANKS HUNTINGTON ENERGY, LLC LUSCOMBE, CELESTE CHAMBERS NORMAN, ELIZABETH J. TRUSTEE OSLIN, RESOURCES, INC. ROSS, WINE H. VATES PETROLEUM CORPORATION	ABO PETROLEUM CORPORATION BELLO, ERNIE BUNN, FRANCES B. BUHN, ROBERT B. COLL, CHARLES H. COLL, CLARKE C. COLL, ERIC J. COLL, JON F. COLL, MAX W. II COLL, MAX W. III COLL, SALLY RODGERS DETEMPLE, MELANIE COLL ELSIE G. HOLDEN, TESTAMENTARY ESTATE OF LILLIE M. YATES KELLER, BETSY H. MARSHALL & WINSTON, INC. MYCO INDUSTRIES, INC. OLIVER, WILLIAM B. TRUST PAYHANDLE ROYALTY COMPANY SHARBRO OIL LIMITED COMPANY SPACE BUILDING CORPORATION TRUST Q.UWMO PEGGY A. YATES YATES DRILLING COMPANY YATES, JOHN A.	3.827080 OPERATING 0.004130 AGREEMENT 0.004130 SECTION 20: S2 0.064760 4-16-1975
			5.000000	FLAG REDEEMER OIL COMPANY / MUNRO FEE - HBP NM-497-T	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. VATES PETROLEUM CORPORATION				
			2.500000	BONNIE H. MORRISON / READING & NM-403-497-A FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			15.000000	NEW MEXICO OSAGE COOP NM-403-497-B FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			1.666667	LENA W. HILDT, ETAL NM-403-497-C FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			0.833333	JOE E. ROSS / ROGER HANKS NM-403-497-E FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			0.833333	ALTON ROSS / ROGER HANKS NM-403-497-G FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			0.833333	BONNIE POWELL / ROGER HANKS NM-403-497-H FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			0.833333	JEWEEL HICKAM / ROGER HANKS NM-403-497-I FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			0.833333	MYRTLE HEARD / ROGER HANKS NM-403-497-J FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			0.833333	C. R. NIXON, ETUX / ROGER HANKS NM-403-497-K FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			3.750000	COLL PRODUCTION, INC. / ROGER HANKS NM-403-497-L FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			1.250000	LILLIAN HINKLE COLL, TRUSTEE NM-403-497-M FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
			5.000000	FLAG REDEEMER OIL COMPANY / MUNRO FEE - HBP NM-497-T	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST Q.UWMO PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A.				
26	40.00	TOWNSHIP 18 SOUTH, RANGE 25 EAST, N4M4 SECTION 21: NE1/4NE1/4	15.000000	PAYHANDLE ROYALTY COMPANY NM-403-1717 FEE - HBP	ABO PETROLEUM CORPORATION NMVCO INDUSTRIES, INC. YATES DRILLING COMPANY	DEVON ENERGY PRODUCTION CO., LP DOBSON, MARY LOUISE FARRA FARRA, MARY LESLIE	MCNAM, WILLIAM JACK TOLBROYN, INC.	ABO PETROLEUM CORPORATION ESTATE OF LILLIE M. YATES MYCO INDUSTRIES, INC.	2.187600 OPERATING 0.130270 AGREEMENT 2.187600 ALTO MOI COM #1

TR #	TRACT ACRES	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSEE OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE
4	20.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N1/4M1/4 SECTION 21, S23W/4SW/4	1.666667	UNLEASED MINERALS, QUAIL	LAURA PATRICIA LODEWICK	100.000000		E. G. L. RESOURCES, INC. ELSIE G. HOLDEN TESTAMENTARY ESTATE OF LILLIE M. YATES	0.553386 0.000250 0.390625
			8.333334	WIGGENS, ANDREA C. NM-404-120 MINERALS	YATES PETROLEUM CORPORATION	100.000000		IBROWN BROTHERS HARRIMAN TRUST	3.125000 0.016517 0.016517
			11.666667	NETCALF, LORENE / COQUINA NM-497-R FEE - HBP	ABO PETROLEUM CORPORATION MYCO INDUSTRIES, INC. YATES DRILLING COMPANY YATES PETROLEUM CORPORATION	25.000000 25.000000 25.000000	14.062480 4.697520	BJUN, FRANCES B. COLL, CHARLES H. COLL, CLARKE C. COLL, ERIC J. COLL, JON F. COLL, JON F. II COLL, MAX W. III COLL, MAX W. III COLL, SALLY ROGERS DETEMPLE, MELANIE COLL E. G. L. RESOURCES, INC. ELSIE G. HOLDEN TESTAMENTARY ESTATE OF LILLIE M. YATES	0.016517 0.016517 2.343750 1.054687 2.343750 0.167343 1.406250 0.035517 0.035516 0.553386 0.000250 0.390625 0.024716 0.016517 0.002753 1.041660 0.016517 0.000259 1.041670 0.041293 3.125000 5.986683 0.016517 1.171690 3.906250 0.016517 0.390625 3.125000 12.221862 0.016517 3.125000
								YATES PETROLEUM CORPORATION	50.198213
35	80.00	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N1/4M1/4 SECTION 21, N2SE/4	1.666667	NIXON, C. R., JR. ETAL NM-103-246 FEE - HBP	SACRAMENTO PARTNERS LIMITED SHARBRO OIL LIMITED COMPANY ESTATE OF LILLIE M. YATES	50.000000 25.000000 25.000000	3.125000 1.562500 0.889757	ABO PETROLEUM CORPORATION	4.437500 4.437500 0.390625
			11.666666	ROSS, CARL E. / ROGER HANKS NM-403-497 FEE - HBP	ABO PETROLEUM CORPORATION TRUST O.U.W/O PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY	16.666666 8.333333 8.333333	0.280417 0.889757 0.781250	ESTATE OF LILLIE M. YATES	0.390625 0.390625 0.390625
			3.333333	HILDT, LENA W. ETAL NM-403-497-C FEE - HBP	YATES PETROLEUM CORPORATION	100.000000	0.280417	NEARBURG EXPLORATION COMPANY	23.138960
			1.666667	ROSS, JOE E. / ROGER HANKS NM-403-497-E FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST O.U.W/O PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY	16.666667 8.333333 8.333333	0.236979 0.280417 0.236979	NEARBURG EXPLORATION COMPANY	0.781250
			1.666667	ROSS, ALTON / ROGER HANKS NM-403-497-G FEE - HBP	ABO PETROLEUM CORPORATION SHARBRO OIL LIMITED COMPANY TRUST O.U.W/O PEGGY A. YATES ESTATE OF LILLIE M. YATES	16.666667 8.333333 16.666667	0.185312 0.185312 0.195312	NEARBURG EXPLORATION COMPANY	0.781250
								WEEDERBURN PROPERTIES, LLC	

TRACT #	DESCRIPTION OF LANDS	ACRES	SERIAL NUMBER AND EXPIRATION DATE	LESSEE OF RECORD AND PERCENTAGE	BASIC ROYALTY AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	REFERENCE
45	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N1/4 NE/4 SECTION 28, E2SW1/4 NE/4	20.00	NM-403-487-J FEE - HBP	SHARRBO OIL LIMITED COMPANY TRUST O UWO/ PEGGY A. YATES ESTATE OF LILLIE M. YATES YATES DRILLING COMPANY YATES, JOHN A. ABO PETROLEUM CORPORATION MYCO INDUSTRIES, INC. YATES DRILLING COMPANY YATES PETROLEUM CORPORATION ABO PETROLEUM CORPORATION MYCO INDUSTRIES, INC. YATES DRILLING COMPANY YATES PETROLEUM CORPORATION YATES PETROLEUM CORPORATION	16.666667 8.333333 16.666667 33.333334 8.333333 25.000000 25.000000 20.000000 25.000000 20.000000 10.000000 10.000000 100.000000	NONE	BP AMERICA PRODUCTION COMPANY, DEVON ENERGY PRODUCTION CO. LP, GOOD EARTH MINERALS, LLC, MARSHALL & WINSTON, INC., MATLOCK MINERALS LIMITED COMPANY NEARHURD EXPLORATION COMPANY PANHANDLE ROYALTY COMPANY SHEETS, ELIZABETH RUTH NIXON WEDDERBURN PROPERTIES, LLC	1.093750 0.037164 0.009291 0.007164 0.015662 403-1553-E 1-12-1983
			7.500000 NEW MEXICO OSAGE COOP NM-403-487-R1 FEE - HBP					
			0.208333 C. R. NIXON, JR. NM-403-1553 FEE - HBP					
			1.250000 BONNIE H. MORRISON NM-403-1553-A FEE - HBP					
			1.250000 KERR-MCGEE CORPORATION NM-403-1553-C FEE - HBP					
			1.250000 MARSHALL & WINSTON, INC. NM-403-1553-D FEE - HBP					
			0.208333 WILLIAM H. NIXON ESTATE NM-403-1553-1 FEE - HBP					
			2.500000 ATLANTIC RICHFIELD COMPANY NM-403-1553-J FEE - HBP					
			0.833334 LENA W. HILDT NM-403-487-C FEE - HBP		3.125000 1.462510 1.737820 4.867500 1.737810 0.781250 7.031250 0.198310 0.198310			
			0.208333 C. R. NIXON, JR. NM-403-1553 FEE - HBP					
46	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N1/4 NE/4 SECTION 28, NW1/4 NE/4	40.00	3.750000 BONNIE H. MORRISON NM-403-1553-A FEE - HBP	ABO PETROLEUM CORPORATION MYCO INDUSTRIES, INC. YATES DRILLING COMPANY YATES PETROLEUM CORPORATION YATES PETROLEUM CORPORATION	10.000000 20.000000 20.000000 10.000000 10.000000	NONE	ABO PETROLEUM CORPORATION BELL, ERNIE BROWN BROTHERS HARRIMAN TRUST BLINN, FRANCES B. ELISE G. HOLDEN, TESTAMENTARY GENDRON, J. W. GOODNOW, DAVID HODGE, JOSEPH R. HODGE, SANFORD J., III KAWASAKI, DR. ISAAC A. KELLER, BETSY H. LODEWICK, JOHN W. LODEWICK, LAURA PATRICIA MYCO INDUSTRIES, INC. OLIVER, WILLIAM B. TRUST SCHULMAN, ADOLPH P. TRANSREPUBLIC RESOURCES, LTD UNIT PETROLEUM COMPANY VAN VRAKEN, FREDERICK, JR. YATES DRILLING COMPANY YATES PETROLEUM CORPORATION	1.093750 0.037164 0.009291 0.007164 0.015662 403-1553-E 1-12-1983
			1.250000 KERR-MCGEE CORPORATION NM-403-1553-C FEE - HBP					
			1.250000 MARSHALL & WINSTON, INC. NM-403-1553-D FEE - HBP					
			0.208333 WILLIAM H. NIXON ESTATE NM-403-1553-1 FEE - HBP					
			2.500000 ATLANTIC RICHFIELD COMPANY NM-403-1553-J FEE - HBP					
			7.500000 NEW MEXICO OSAGE COOP / COQUINA NM-403-487-R1 FEE - HBP					
			5.000000 PATRICIA JOHNSON COOPER RANGE 25 EAST, N1/4 NE/4 SECTION 28, NW1/4 NE/4 FEE - HBP		0.250000 3.000000 3.000000 3.125000			
			5.000000 S. F. JOHNSON, III TRUST NM-403-1724-A FEE - HBP					
			1.866667 UNLEADED MINERALS NM-104-2 KETHIF, QUAIL, ETUX NM-104-2 KETHIF, QUAIL, ETUX 1.866667 UNLEADED MINERALS NM-104-2 KETHIF, QUAIL, ETUX 10.000000 UNLEADED MINERALS NM-104-2 KETHIF, QUAIL, ETUX 10.000000 UNLEADED MINERALS NM-104-2 KETHIF, QUAIL, ETUX 10.000000 HARVEY E. YATES NM-104-2 KETHIF, QUAIL, ETUX	JOHN W. LODEWICK LAURA B. LODEWICK LAURA PATRICIA LODEWICK SACRAMENTO PARTNERS LTD SPIRAL, INC.	100.000000 100.000000 100.000000 100.000000 100.000000 100.000000 100.000000 100.000000 100.000000			
			10.000000 DORCHESTER 1988 FAMILY TRUST NM-403-11728	ABO PETROLEUM CORPORATION MYCO INDUSTRIES, INC.	10.000000 10.000000			
47	TOWNSHIP 19 SOUTH, RANGE 25 EAST, N1/4 NE/4	10.00	DORCHESTER 1988 FAMILY TRUST NM-403-11728	ABO PETROLEUM CORPORATION MYCO INDUSTRIES, INC.	10.000000 10.000000	NONE		OPERATING AGREEMENT BINGER AND #1 SECTION 28 NE/4 403-1553-E 1-12-1983

RECEIVED

2005 JAN 27 PM 9 24

STATE LAND OFFICE
SARASOTA, FL, N.M.

NORTH DAGGER DRAW UPPER PENN UNIT
PARTICIPATION FACTOR
BY TRACT

4-20-04
Susan Vierra

TRACT	UNIT PARTICIPATION FACTOR
1	0.99769%
1a	0.99769%
1b	0.49885%
1c	2.27224%
1d	0.49885%
1e	4.00153%
1f	3.84138%
1g	1.09953%
2	0.51406%
3	1.50420%
3a	0.49885%
3b	2.27896%
3c	0.99769%
3d	0.49885%
3e	0.61565%
3f	0.49885%
3g	0.49885%
3h	1.09858%
4	0.77630%
4a	1.25727%
4b	0.49885%
4c	0.73219%
4d	1.76139%
4e	0.51568%
4f	1.93663%
5	0.51474%
6	0.99769%
6a	0.49885%
6b	0.49885%
6c	0.79184%
6d	0.70912%
6e	0.99769%
6f	2.12060%
7	3.02874%
8	0.99769%
8a	0.49885%
8b	0.49885%
8c	0.74927%
8d	0.95347%
9	0.49885%
9a	0.66307%

NORTH DAGGER DRAW UPPER PENN UN. I
PARTICIPATION FACTOR
BY TRACT

4-20-04
Susan Vierra

TRACT	UNIT PARTICIPATION FACTOR
9b	2.21697%
10	0.59394%
10a	2.17140%
10b	0.49885%
11	0.99769%
11a	2.54455%
11b	1.91495%
12	0.99769%
13	0.49885%
13a	1.10547%
13b	0.49885%
13c	0.49885%
14	1.00694%
14a	0.60495%
15	0.51394%
16	0.51431%
17	0.51468%
18	2.15686%
19	0.80461%
20	0.49809%
21	0.24904%
22	0.24904%
23	0.73461%
24	0.50686%
25	0.77683%
25a	0.49885%
26	2.38363%
27	2.38363%
28	0.49885%
29	3.63635%
30	0.50756%
31	1.24673%
32	2.13207%
33	0.24942%
34	0.24942%
35	1.32525%
35a	0.50955%
36	0.24942%
37	0.24942%
38	0.99769%
38a	1.00817%

NORTH DAGGER DRAW UPPER PENN UNIT
PARTICIPATION FACTOR
BY TRACT

4-20-04
Susan Vierra

TRACT	UNIT PARTICIPATION FACTOR
39	0.50831%
40	0.49885%
41	0.63850%
41a	0.25457%
42	0.25457%
43	3.01276%
44	1.30245%
44a	0.25374%
45	0.25374%
46	0.80457%
47	0.15923%
48	0.15923%
49	0.31841%
50	0.49885%
51	0.76336%
52	1.46980%
53	1.34545%
Total	100.00000%

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986

RECEIVED

APR 27 2005

OIL CONSERVATION
DIVISION



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

April 25, 2005

Oil Conservation Division
Minerals & Natural Resources
Attn: Mark Fesmire
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: North Dagger Draw Upper Penn Unit
T19S-R25E, N.M.P.M.
Eddy County, New Mexico
Revised Well Name Change Report

Ladies and Gentlemen:

Enclosed please find a revised list of the Well Name Changes report previously submitted with our application for final approval of the captioned unit.

The list was revised by removing the Dagger Draw A#1 (NDDUP Unit #15) from the list completely and adding the Dagger Draw A#2, renaming it the NDDUP #16. This change was necessary because the Dagger Draw A#1 was not committed to the unit. It is producing from a formation other than the Upper Penn.

Prior to creating the Unit, Southwest Royalties, Inc. was of the Operator of both of these wells. Our Production Department will be submitting an Application for Change of Operator and a Well Name Change request soon.

Should you have any questions, please do not hesitate to contact me at 505 748 4400.

Sincerely,

Susan Vierra
Associate Landman

SV:tlh
Enclosure

**NORTH DAGGER DRAW UPPER PENN UNIT
TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
EDDY COUNTY, NEW MEXICO**

1/25/05
Revised 4/22/05

CHANGE OF WELL NAMES TO UNIT NAMES

CURRENT WELL NAME	NEW UNIT WELL NAME	SEC	LOC	FOOTAGE	UNIT TRACT
BOYD X STATE COM #1	NDDUP UNIT #1	16	NE/4	990 FNL & 990 FEL	6
APAREJO APA STATE COM #3	NDDUP UNIT #2	16	NE/4	660 FNL & 1980 FEL	7
APAREJO APA STATE COM #5	NDDUP UNIT #3	16	NW/4	660 FNL & 1980 FWL	7
APAREJO APA STATE COM #1	NDDUP UNIT #4	16	NW/4	660 FNL & 660 FWL	7
JULIE COM #2	NDDUP UNIT #6	17	NE/4	660 FNL & 1980 FEL	10
JENNY COM #2	NDDUP UNIT #7	17	NW/4	660 FNL & 1980 FWL	1
CONOCO COM #1	NDDUP UNIT #9	18	NE/4	710 FNL & 660 FEL	11a
BARBARA 18NW FEDERAL #16	NDDUP UNIT #10	18	NW/4	1980 FNL & 1980 FWL	1b
CONOCO COM #9	NDDUP UNIT #11	18	NE/4	1980 FNL & 1980 FEL	1f
DAGGER DRAW A #2	NDDUP UNIT #16	17	NE/4	1980 FNL & 990 FEL	10a
APAREJO APA STATE COM #2	NDDUP UNIT #18	16	NW/4	2080 FNL & 1780 FWL	8
BOYD X STATE COM #12	NDDUP UNIT #20	16	NE/4	1880 FNL & 660 FEL	6
AMOLE AMM STATE COM #4	NDDUP UNIT #21	16	SE/4	1980 FSL & 660 FEL	8d
AMOLE AMM STATE COM #2	NDDUP UNIT #23	16	SW/4	1780 FSL & 1980 FWL	8a
BARBARA 17SW COM #17	NDDUP UNIT #27	17	SW/4	1650 FSL & 1650 FWL	11b
LEHMAN FED COM #11	NDDUP UNIT #32	18	SW/4	1980 FSL & 660 FWL	1c
LEHMAN FED COM #1	NDDUP UNIT #33	18	SW/4	710 FSL & 990 FWL	2
BARBARA 18SE FEDERAL #12	NDDUP UNIT #35	18	SE/4	710 FSL & 1980 FEL	1a
BARBARA 18SE FEDERAL #8	NDDUP UNIT #36	18	SE/4	710 FSL & 990 FEL	1a
BARBARA 17SW COM #10	NDDUP UNIT #37	17	SW/4	780 FSL & 730 FWL	1g
BARBARA 17SE COM #18	NDDUP UNIT #40	17	SE/4	660 FSL & 760 FEL	12
AMOLE AMM STATE COM #1	NDDUP UNIT #41	16	SW/4	760 FSL & 660 FWL	8c
AMOLE AMM STATE COM #3	NDDUP UNIT #42	16	SW/4	660 FSL & 1980 FWL	8b
BOYD X STATE COM #10	NDDUP UNIT #43	16	SE/4	660 FSL & 1980 FEL	6c
BOYD X STATE COM #11	NDDUP UNIT #44	16	SE/4	810 FSL & 730 FEL	6d
RODKE AOY COM #1-H	NDDUP UNIT #45H	21	NE/4	660 FNL & 660 FEL	26
ROSS EG FEDERAL COM #14	NDDUP UNIT #46	21	NE/4	660 FNL & 1980 FEL	3h
VANN APD #1	NDDUP UNIT #48	21	NW/4	660 FNL & 660 FWL	30
HOOPER AMP COM #4	NDDUP UNIT #49	20	NE/4	660 FNL & 660 FEL	19
ROSS EG FEDERAL #6	NDDUP UNIT #51	20	NW/4	660 FNL & 1980 FWL	3b
ROSS EG FEDERAL #3	NDDUP UNIT #52	20	NW/4	660 FNL & 660 FWL	3b
ROSS EG FEDERAL COM #5	NDDUP UNIT #53	19	NE/4	860 FNL & 860 FEL	3
ROSS EG FEDERAL COM #2	NDDUP UNIT #54	19	NE/4	660 FNL & 1980 FEL	3
LODEWICK A COM #1	NDDUP UNIT #55	19	NW/4	660 FNL & 1980 FWL	14
LODEWICK A COM #3	NDDUP UNIT #56	19	NW/4	660 FNL & 660 FWL	15
LODEWICK A COM #2	NDDUP UNIT #57	19	NW/4	1650 FNL & 660 FWL	16
PARISH IV COM #4	NDDUP UNIT #59	19	NE/4	1780 FNL & 1980 FEL	13
ROSS EG FEDERAL COM #12	NDDUP UNIT #60	19	NE/4	1980 FNL & 660 FEL	3
ROSS EG FEDERAL #4	NDDUP UNIT #61	20	NW/4	1980 FNL & 660 FWL	3b
ROSS EG FEDERAL COM #10	NDDUP UNIT #63	20	NE/4	1980 FNL & 1980 FEL	3c
HOOPER AMP COM #3	NDDUP UNIT #64	20	NE/4	1980 FNL & 660 FEL	20,21,22

NDDUP UNIT
Well Name Changes
Susan Vierra
1-25-05

HOOPER AMP #2	NDDUP UNIT #65	21	NW/4	1980 FNL & 660 FWL	31
PATRIOT AIZ #11-H	NDDUP UNIT #66H	21	NW/4	1880 FNL & 1880 FWL	29
OSAGE #1 SWD	NDDUP UNIT #67	21	NE/4	1980 FNL & 1980 FEL	28
PATRIOT AIZ #6-H	NDDUP UNIT #69H	21	SE/4	1980 FSL & 660 FEL	35
ROSS EG FEDERAL COM #1	NDDUP UNIT #75	20	SW/4	1980 FSL & 1980 FWL	3e
ROSS EG FEDERAL COM #8	NDDUP UNIT #76	20	SW/4	1980 FSL & 660 FWL	3d
ROSS EG FEDERAL COM #9	NDDUP UNIT #77	19	SE/4	1980 FSL & 660 FEL	3a
PARISH IV COM #1	NDDUP UNIT #78	19	SE/4	1980 FSL & 1980 FEL	18a
DAGGER DRAW 19SW #4	NDDUP UNIT #80	19	SW/4	1980 FSL & 660 FWL	17
DAGGER DRAW 19SW #10	NDDUP UNIT #81	19	SW/4	660 FSL & 660 FWL	18
DAGGER DRAW 19SW #14	NDDUP UNIT #82	19	SW/4	660 FSL & 1980 FWL	18
CHAMIZA AJC COM #1	NDDUP UNIT #83	19	SE/4	990 FSL & 1980 FEL	14a
PARISH IV COM #5	NDDUP UNIT #84	19	SE/4	915 FSL & 660 FEL	13a
PATRIOT AIZ COM #1	NDDUP UNIT #85	20	SW/4	990 FSL & 660 FWL	25a
PATRIOT AIZ COM #4	NDDUP UNIT #86	20	SW/4	810 FSL & 1980 FWL	25
PATRIOT AIZ COM #2	NDDUP UNIT #87	20	SE/4	760 FSL & 1980 FEL	24
PATRIOT AIZ COM #3	NDDUP UNIT #88	20	SE/4	760 FSL & 660 FEL	23
HOOPER AMP #1	NDDUP UNIT #89	21	SW/4	820 FSL & 660 FWL	33,34
PATRIOT AIZ #10-H	NDDUP UNIT #90	21	SW/4	660 FSL & 1980 FWL	32
PATRIOT AIZ #5	NDDUP UNIT #91	21	SE/4	660 FSL & 1980 FEL	35a
CUTTER APC #1	NDDUP UNIT #92	21	SE/4	660 FSL & 660 FEL	36,37
HINKLE ALD #2	NDDUP UNIT #94	28	NE/4	800 FNL & 1650 FEL	38a
ROSS IZ #3	NDDUP UNIT #95	28	NW/4	660 FNL & 1980 FWL	39
LORENE ANN #1	NDDUP UNIT #96	28	NW/4	810 FNL & 660 FWL	40
BINGER AKU #4-H	NDDUP UNIT #97H	29	NE/4	660 FNL & 660 FEL	44
BINGER AKU # 1	NDDUP UNIT #98	29	NE/4	660 FNL & 1980 FEL	46
VOIGHT AJD COM #3	NDDUP UNIT #99	29	NW/4	660 FNL & 1980 FWL	47,48,49
VOIGHT AJD COM #1	NDDUP UNIT #100	29	NW/4	660 FNL & 660 FWL	50
DAGGER DRAW 30N COM #15	NDDUP UNIT #101	30	NE/4	660 FNL & 660 FEL	13b
DAGGER DRAW 30N COM #5	NDDUP UNIT #102	30	NE/4	990 FNL & 1980 FEL	4b
DAGGER DRAW 30N COM #9	NDDUP UNIT #105	30	NW/4	1980 FNL & 660 FWL	4e
DAGGER DRAW 30N COM #13	NDDUP UNIT #106	30	NW/4	1980 FNL & 1980 FWL	4d
DAGGER DRAW 30N COM #12	NDDUP UNIT #107	30	NE/4	2130 FNL & 1800 FEL	4c
DAGGER DRAW 30N COM #17	NDDUP UNIT #108	30	NE/4	1665 FNL & 660 FEL	13c
VOIGHT AJD COM #2	NDDUP UNIT #109	29	NW/4	1980 FNL & 660 FWL	51
ASPDEN AOH FEDERAL COM #3	NDDUP UNIT #110	29	NW/4	1980 FNL & 1980 FWL	4
BINGER AKU #2	NDDUP UNIT #111	29	NE/4	1980 FNL & 1980 FEL	44a,45
ROSS IZ #2	NDDUP UNIT #113	28	NW/4	1980 FNL & 660 FWL	41
ROSS IZ #1	NDDUP UNIT #114	28	NW/4	1980 FNL & 1980 FWL	41,42
HINKLE ALD #1	NDDUP UNIT #115	28	NE/4	1980 FNL & 1980 FEL	38a
HINKLE ALD #3-H	NDDUP UNIT #116H	28	NE/4	1980 FNL & 660 FEL	38
TACKITT AOT #1	NDDUP UNIT #117	28	SE/4	1650 FSL & 990 FEL	43
TACKITT AOT #2	NDDUP UNIT #118	28	SE/4	1980 FSL & 1980 FEL	43
STATE K #3-H	NDDUP UNIT #119	28	SW/4	1980 FSL & 1980 FWL	9a
BOYD X STATE COM #5	NDDUP UNIT #121	29	SE/4	1980 FSL & 660 FEL	6f
BOYD X STATE COM #3	NDDUP UNIT #122	29	SE/4	1980 FSL & 1980 FEL	6f
BOYD X STATE COM #4	NDDUP UNIT #123	29	SW/4	1980 FSL & 1980 FWL	6e
BOYD X STATE COM #2	NDDUP UNIT #124	29	SW/4	1980 FSL & 660 FWL	6e
DAGGER DRAW 30SE COM #8	NDDUP UNIT #126	30	SE/4	1980 FSL & 1980 FEL	4f
DAGGER ZW #1	NDDUP UNIT #127	30	SW/4	1980 FSL & 1980 FWL	52
DAGGER ZW #3	NDDUP UNIT #128	30	SW/4	1730 FSL & 660 FWL	52

NDDUP UNIT

Well Name Changes

Susan Vierra

1-25-05

PINCUSHION AHN #1	NDDUP UNIT #129	30	SW/4	660 FSL & 660 FWL	53
PINCUSHION AHN #3	NDDUP UNIT #130	30	SW/4	660 FSL & 1980 FWL	53
DAGGER DRAW 30SE FED COM #11	NDDUP UNIT #131	30	SE/4	660 FSL & 1980 FEL	5
DAGGER DRAW 30SE FED COM #16	NDDUP UNIT #132	30	SE/4	660 FSL & 660 FEL	4f
ASPDEN AOH FEDERAL COM #1	NDDUP UNIT #133	29	SW/4	660 FSL & 660 FWL	4a
ASPDEN AOH FEDERAL COM #2	NDDUP UNIT #134	29	SW/4	330 FSL & 1980 FWL	4a
BOYD X STATE COM #6	NDDUP UNIT #135	29	SE/4	660 FSL & 1980 FEL	6f
STATE K #1	NDDUP UNIT #138	28	SW/4	660 FSL & 1980 FWL	9b
TACKITT AOT #3	NDDUP UNIT #139	28	SE/4	660 FSL & 1980 FEL	43

NDDUP UNIT
 Well Name Changes
 Susan Vierra
 1-25-05

Case # 13228

HOLLAND & HART LLP



William F. Carr
wcarr@hollandhart.com

January 27, 2005

VIA HAND DELIVERY

Mr. Roy Johnson
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: **APPLICATION FOR FINAL APPROVAL**
North Dagger Draw-Upper Pennsylvanian Unit
Eddy County, New Mexico.

Dear Mr. Johnson:

Enclosed is the CERTIFICATION-DETERMINATION of the Bureau of Land Management approving the North Dagger Draw-Upper Pennsylvanian Unit. This document should be included with the copy of the Application for Final Approval of this unit that was filed on behalf of Yates Petroleum Corporation on this date with the Commissioner of Public Lands.

If you have questions concerning the enclosed, please contact me at (505) 988-4421.

Very truly yours,

William F. Carr

Enclosures

cc:

Ms. Susan Vierra
Yates Petroleum Corporation

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ♻



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROSWELL FIELD OFFICE
2909 West Second Street
Roswell, New Mexico 88201-2019

IN REPLY REFER
NMNM111025X
3180 NM(513)

Yates Petroleum Corporation
Attention: Susan Vierra
105 S. Fourth Street
Artesia, NM 88210-2118

Dear Ms. Vierra:

One approved copy of the North Daggar Draw Upper Penn Unit Agreement, No. NMNM111025X, Eddy County, New Mexico is enclosed. Such agreement is approved as of the date of approval and is effective February 1, 2005. A Certificate of Effectiveness pursuant to Section 24 of the unit agreement must be submitted. Your initial Plan of Operations has been reviewed and is acceptable.

Approval of the agreement does not warrant or certify that the operator thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

You are required to furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Larry D. Bray
Assistant Field Manager,
Lands and Minerals

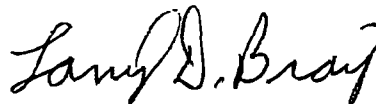
Enclosures

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. sec 181, et seq., and delegated to the Authorized Officer of the Bureau of Land Management, under the authority of 43 CFR 3183, I do hereby:

- A. Approve the attached agreement for the development and operation of the North Dagger Draw Upper Penn Unit Area, State of New Mexico. This approval shall be invalid *ab initio* if the public interest requirement under 3183.4(b) of this title is not met.
- B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of all Federal leases committed to said Agreement are hereby established, altered, changed or revoked to conform with the terms and conditions of this agreement.

Dated: January 27, 2005



(Authorized Officer)
Bureau of Land Management

Contract No.: NMNM111025X



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROSWELL FIELD OFFICE
2909 West Second Street
Roswell, New Mexico 88201-2019

IN REPLY REFER
NMNM111025X
3180 NM(513)

JAN 27 2005

Yates Petroleum Corporation
Attention: Susan Vierra
105 S. Fourth Street
Artesia, NM 88210-2118

Dear Ms. Vierra:

One approved copy of the North Daggar Draw Upper Penn Unit Agreement, No. NMNM111025X, Eddy County, New Mexico is enclosed. Such agreement is approved as of the date of approval and is effective February 1, 2005. A Certificate of Effectiveness pursuant to Section 24 of the unit agreement must be submitted. Your initial Plan of Operations has been reviewed and is acceptable.

Approval of the agreement does not warrant or certify that the operator thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

You are required to furnish all interested principals with appropriate evidence of this approval.

Sincerely,

/s/ Larry D. Bray

Larry D. Bray
Assistant Field Manager,
Lands and Minerals

Enclosures

cc:
MMS, Denver (357B-1,G. Ryer/C. Collins)
Commissioner of Public Lands, Santa Fe
NMOCD, Santa Fe

2005 JAN 31 PM 1 13

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. sec 181, et seq., and delegated to the Authorized Officer of the Bureau of Land Management, under the authority of 43 CFR 3183, I do hereby:

- A. Approve the attached agreement for the development and operation of the North Dagger Draw Upper Penn Unit Area, State of New Mexico. This approval shall be invalid *ab initio* if the public interest requirement under 3183.4(b) of this title is not met.
- B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of all Federal leases committed to said Agreement are hereby established, altered, changed or revoked to conform with the terms and conditions of this agreement.

Dated: January 27, 2005

/S/ Larry D. Bray

(Authorized Officer)
Bureau of Land Management

Contract No.: NMNM111025X