



Gandy Prospect

LEASEHOLD TAKEOFF

ELLIS & ELLIS
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31 August 2006
Records posted through 7 August 2006

LAND: SE/4 NE/4 OF SECTION 34, T-15-S, R-35-E, NMPM, LEA COUNTY, NEW MEXICO, CONTAINING 40 ACRES, MORE OR LESS.

FROM THE SURFACE DOWN TO THE BASE OF THE STRAWN FORMATION, SAVE AND EXCEPT THE WOLFCAMP FORMATION.

Owner	Interest (%)	N.R.I.	Comments
Energex Resources Corporation 2101 Sixth Avenue North Birmingham, Alabama 35203	58.8143		Net revenue has not been calculated for purposes of this report in the interest of time.
J&J Service, Inc. PO Box 324 Lovington, New Mexico 88260	3.1250		
Viersen Oil & Gas Company PO Box 280 Okmulgee, OK 74447	15.6085		
Yates Petroleum Corp. 105 S. 4 th St. Artesia, NM 88210	4.0505		
Yates Drilling Company 105 S. 4 th St. Artesia, NM 88210	4.0505		
ABO Petroleum Corporation 105 S. 4 th St. Artesia, NM 88210	4.0505		
Myco Industries, Inc 105 S. 4 th St. Artesia, NM 88210	4.0505		
Viso Industries of Arizona 9201 N. 7 th St. Phoenix, AZ 85021	6.2500		
TOTALS	100.0000		
TOTALS	100.0000		

BELOW THE BASE OF THE STRAWN FORMATION

Owner	Interest (%)	N.R.I.	Comments
Energen Resources Corporation 2101 Sixth Avenue North Birmingham, Alabama 35203	29.4072		Net revenue has not been calculated for purposes of this report in the interest of time.
J&J Service, Inc. PO Box 324 Lovington, New Mexico 88260	3.1250		
Viersen Oil & Gas Company PO Box 280 Okmulgee, OK 74447	15.6085		
Yates Petroleum Corp. 105 S. 4 th St. Artesia, NM 88210	4.0505		
Yates Drilling Company 105 S. 4 th St. Artesia, NM 88210	4.0505		
ABC Petroleum Corporation 105 S. 4 th St. Artesia, NM 88210	4.0505		
Myco Industries, Inc. 105 S. 4 th St. Artesia, NM 88210	4.0505		
Viso Industries of Arizona 9201 N. 7 th St. Phoenix, AZ 85021	6.2500		
EOG Resources, Inc. (SEE NOTE BELOW)	29.4072		
TOTALS	100.0000		

NOTE: This interest was formerly owned by the Estate of Charles B. Gillespie, Jr., deceased and was purportedly conveyed to David H. Arrington Oil & Gas and is now apparently owned by EOG Resources, Inc. Title into EOG may need to be cured as these leases may not have been adequately described in the Arrington assignment.

FROM THE TOP OF THE WOLFCAMP FORMATION DOWN TO THE BASE OF THE WOLFCAMP FORMATION

Owner	Interest (%)	N.R.I.	Comments
J&J Service, Inc. PO Box 324 Lovington, New Mexico 88260	93.7500		
Viso Industries of Arizona 9201 N. 7 th St. Phoenix, AZ 85021	6.2500		
TOTALS	100.0000		

The above rights are held by production under the terms of the following oil and gas leases:

1. Lessor: Mary Ruth McCrory and William Thomas Reed, individually and as Joint Executors of the Estate of J. L. Reed, deceased
 Lessee: Bill Mathis
 Date: 6/2/71
 Lands: S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 275, Page 46, OGL Records
2. Lessor: Sandra Lee Ponder Barbee
 Lessee: G. Dee Williamson
 Date: 3/25/74
 Lands: NW/4 NE/4, S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 287, Page 323, OGL Records
3. Lessor: J. Edward Wood, a/k/a Jerry E. Wood
 Lessee: G. Dee Williamson
 Date: 3/13/74
 Lands: S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 287, Page 325, OGL Records
4. Lessor: Leora Culp Lee
 Lessee: G. Dee Williamson
 Date: 3/15/74
 Lands: NW/4 NE/4, S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 287, Page 327, OGL Records
5. Lessor: Julia Culp
 Lessee: G. Dee Williamson
 Date: 3/15/74
 Lands: NW/4 NE/4, S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 287, Page 329, OGL Records
6. Lessor: Zena Ruth Pearce
 Lessee: G. Dee Williamson
 Date: 3/13/74
 Lands: NW/4 NE/4, S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 287, Page 331, OGL Records
7. Lessor: William N. Ponder
 Lessee: G. Dee Williamson
 Date: 3/25/74
 Lands: NW/4 NE/4, S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 287, Page 449, OGL Records
8. Lessor: Bill Mathis, et ux Betty Lou Mathis
 Lessee: G. Dee Williamson
 Date: 6/16/74
 Lands: S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 288, Page 599, OGL Records
9. Lessor: Joyce Ann Brown Sanders & Joyce Christmas Brown
 Lessee: G. Dee Williamson
 Date: 6/26/74
 Lands: S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
 Recorded: Volume 288, Page 601, OGL Records

10. Lessor: B. A. Christmas, Jr., et al
Lessee: G. Dee Williamson
Date: 6/26/74
Lands: S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
Recorded: Volume 288, Page 796, OGL Records
11. Lessor: Nelson H. James, et al
Lessee: H. M. & T. Oil Company
Date: 7/24/74
Lands: S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
Recorded: Volume 288, Page 801, OGL Records
12. Lessor: June D. Speight
Lessee: H. M. & T. Oil Company
Date: 9/19/74
Lands: NW/4 NE/4, S/2 NE/4 and E/2 SE/4 of Section 34, T-15-S, R-35-E, NMPM
Recorded: Volume 289, Page 791, OGL Records