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RECEIVED OGD  
2010 NOV -1 P 3: 56

October 30, 2010

David K. Brooks  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Case Nos. 14504 and 14505/Celero Energy II, L.P.  
Rock Queen Unit

Dear David:

Your e-mail of September 23 asked for clarification of certain matters. I submit the following:

1. Method of Allocation and Working Interest Approval: I recognize that under NMSA 1978 §§70-7-5, 6, the plan of unitization is to be fair, reasonable, and equitable. I think fairness can be inferred from the following:

(a) Under the Statutory Unitization Act a fair allocation plan that gets 75% of working interest and royalty owner voluntary approval can be approved by the Division. Therefore, I don't think Celero needs to show 100% voluntary approval of the original unit agreement to show fairness.

(b) This unit was formed before statutory unitization, and the unit file at the State Land Office contains a number of documents on the negotiations among the working interest owners, and changes in allocation due to those negotiations (I can provide you with copies of that material if you so desire). The allocation formula that was finally approved was ratified by 96.9842667% of working interest owners. Commission Order R-1541, approving the unit agreement (copy enclosed), found that the agreement promoted conservation and prevention of waste. In addition, the largest royalty owners, the State Land Office and the BLM, approved the agreement.

(c) NMSA 1978 §70-7-9, regarding amending an existing unit agreement, **requires** the amendment use the existing allocation, unless 100% of all working interest and royalty owners voluntarily agree to a change.

The testimony in this case showed that 99.638249% of working interest owners voluntarily approved the proposed amended unit agreement. I think fairness can be inferred.

2. Royalty Owner Approval: The original unit was not approved by 100% of royalty owners -- I think approximately 98% of them did. I can get you an exact figure if you like. Those royalty owners who did not ratify have been paid on a lease basis for the past 50 years, without problem. That is one reason why Celero desires to leave the royalty owners alone.

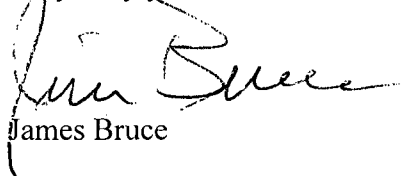
In addition, NMSA 1978 §70-7-9 (enclosed), which is the section of the act on amendment of existing unit agreements, specifically provides that if royalty interests are not affected they need not approve the amendment. Thus, because the unit allocation factors (or, for non-ratifying royalty owners, their interest in lease production) do not change, Celero did not seek royalty owner approval.

David: I know this is an odd case, but then again when aren't they anymore? However, since the statute expressly allows the operator to seek amendment without royalty owner approval, Celero doesn't need to have them ratify the amended unit agreement. (I will, however, get BLM and Land Office approvals.)

3. Unit Tract 8: Unit Tract 8 was never committed to the unit. Attached is Exhibit 8 from the hearing, which shows the tract allocation factors: You can see that Tract 8 is not included. In addition, attached is the original Exhibit B to the Unit Agreement, which shows that Tract 8 is allocated nothing. The remaining tracts add up to 100%. Finally, attached is the land plat of the unit, which shows that the unit is on the exterior of the unit. As a result, Celero left Tract 8 out of the unit.

As a result, Celero requests approval of the unitization application as filed.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Jim Bruce", is written over a horizontal line.

James Bruce  
Attorney for Celero Energy II, L.P.

*Entered November 19, 1959*  
*Q.R.*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 1798  
Order No. R-1541

APPLICATION OF GREAT WESTERN  
DRILLING COMPANY FOR APPROVAL  
OF A UNIT AGREEMENT AND FOR AN  
ORDER AUTHORIZING A WATER FLOOD  
PROJECT IN THE CAPROCK-QUEEN  
POOL, LEA AND CHAVES COUNTIES,  
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 28, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of November, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

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

(2) That the applicant seeks approval of its proposed Rock Queen Unit Agreement with the unit area comprising some 4940 acres, more or less, in Township 13 South, Ranges 31 and 32 East, Lea and Chaves Counties, New Mexico.

(3) That approval of the Rock Queen Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

(4) That the applicant further proposes to institute a water flood project in the Caprock-Queen Pool on said Rock Queen Unit by the injection of water into the Queen formation through the following-described wells:

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Case No. 1798  
Order No. R-1541

State Well No. 7, NW/4 SW/4 of Section 22

State Well No. 6, SE/4 SW/4 of Section 22

State Well No. 1, NW/4 SE/4 of Section 22

Werner State Well No. 1, SE/4 SE/4 of  
Section 22

Las Cruces "A" Well No. 2, SE/4 NW/4 of  
Section 27

Malco Federal Well No. 3, NW/4 NE/4 of  
Section 27

all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico.

(5) That the proposed water flood project should be authorized and the operation thereof should be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

IT IS THEREFORE ORDERED:

(1) That Great Western Drilling Company be and the same is hereby authorized to institute the Rock Queen Water Flood Project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, by the injection of water into the Queen formation through the following-described wells:

State Well No. 7, NW/4 SW/4 of Section 22

State Well No. 6, SE/4 SW/4 of Section 22

State Well No. 1, NW/4 SE/4 of Section 22

Werner State Well No. 1, SE/4 SE/4 of  
Section 22

Las Cruces "A" Well No. 2, SE/4 NW/4 of  
Section 27

Malco Federal Well No. 3, NW/4 NE/4 of  
Section 27

all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico.

Case No. 1798  
Order No. R-1541

(2) That the operation of the water flood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

(3) That monthly progress reports on the water flood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

(4) (a) That the unit agreement herein referred to shall be known as the Rock Queen Unit Agreement.

(b) That the plan by which the unit area shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Rock Queen Unit Area and such plan shall be known as the Rock Queen Unit Agreement Plan.

(5) That the Rock Queen Unit Agreement Plan shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing in any manner any right, duties, or obligations which are now, or may hereafter be, vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Rock Queen Unit Agreement, or relative to the production of oil and gas therefrom.

(6) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 13 SOUTH, RANGE 31 EAST

Section 22: NW/4 SW/4, E/2 SW/4 and E/2  
Section 23: N/2 NW/4, NW/4 NE/4, S/2 N/2 and S/2  
Section 24: N/2 SW/4, NW/4 SE/4 and S/2 S/2  
Section 25: All  
Section 26: All  
Section 27: E/2 NW/4 and E/2  
Section 34: NE/4 and S/2 NW/4  
Section 35: N/2 NW/4  
Section 36: All

TOWNSHIP 13 SOUTH, RANGE 32 EAST

Section 19: SW/4 NE/4, NE/4 SW/4, S/2 SW/4 and SE/4  
Section 30: N/2, N/2 S/2, S/2 SW/4 and SW/4 SE/4  
Section 31: NW/4 NW/4

containing 4940 acres more or less.

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Case No. 1798  
Order No. R-1541

(b) The unit area may be enlarged or contracted as provided in said Plan; provided, however, that administrative approval for expansion of the unit area must also be obtained from the Secretary-Director of the Oil Conservation Commission.

(7) That the unit operator shall file with the Commission an executed original or executed counterpart of the Rock Queen Unit Agreement within 30 days after the effective date thereof.

(8) That any party owning rights in the unitized substances who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

(9) That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey and the Commissioner of Public Lands for the State of New Mexico and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION




JOHN BURROUGHS, Chairman

S E A L



MURRAY E. MORGAN, Member



A. L. PORTER, Jr., Member & Secretary

**70-7-9. Amendment of plan of unitization.**

An order providing for unit operations may be amended by an order made by the division in the same manner and subject to the same conditions as an original order providing for unit operations, provided:

A. if such an amendment affects only the rights and interests of the working interest owners, the approval of the amendment by the royalty owners shall not be required; and

B. no such amendment shall change the percentage for the allocation of oil and gas as established for any separately owned tract by the original order, except with the consent of all working interest owners and royalty owners in such tract, or change the percentage for the allocation of costs as established for any separately owned tract by the original order, except with the consent of all working interest owners in such tract.

**History:** 1953 Comp., § 65-14-9, enacted by Laws 1975, ch. 293, § 9; 1977, ch. 255, § 115.

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ROCKY MOUNTAIN  
Allocation Report

March 1966

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APR 14 10 01 AM '66

STATE LAND OFFICE  
SANTA FE, N.M.

Tract No.	Lease Number	Participation Factor	Volume	Value	Royalty & Taxes paid by:
1	LC-068288-A	4.3927530	3,849.47	10,815.49	Superior
2	LC-068288-B	5.2718764	4,619.87	12,980.00	Tidewater
3	NM-02509	.6327585	554.50	1,557.93	Skelly
4	NM-03844	3.8119988	3,340.54	9,385.60	Sinclair
5	NM-04385	2.8206618	2,471.81	6,944.81	Tidewater
6	B-399-35	1.7674440	1,548.85	4,351.66	Tidewater
7	B-8318-109; B-10418-75; B-8605-26	1.4256418	1,249.32	3,510.10	Cities Service
8	B-8822-6	2.1509096	1,884.89	5,295.80	Tidewater
10	B-9359	2.6745918	2,343.81	6,585.17	Tidewater
11	B-9495-6	1.1550296	1,012.18	2,843.82	Cities Service
12	B-9541	.3000965	438.25	1,231.30	Tidewater
13	B-9541	11.6027546	10,167.76	28,567.38	Tidewater
14	B-10418-44	.1277395	111.94	314.51	Tidewater
15	B-10418-76	5.3068476	4,650.52	13,066.10	Cities Service
16	B-10418-76	5.6916489	4,987.73	14,013.53	Cities Service
17	B-10419-39	.8531039	747.59	2,100.44	Cities Service
18	B-11332-12; B-11332-13	1.5447101	1,353.67	3,803.26	Cities Service
19	B-11644-7	.6572838	575.99	1,618.31	Tidewater
20	E-35-1	2.7146057	2,378.87	6,683.69	Sinclair
21	E-473-8	2.7300702	2,392.43	6,721.76	Cities Service
22	E-1380	.2590203	226.98	637.74	Sinclair
23	E-4191	.4301857	376.98	1,059.17	Tidewater
24	E-4192-1	1.3867440	1,215.24	3,414.33	Sinclair
25	E-5663	.5842787	512.02	1,438.56	Gulf
26	E-5663	1.6487205	1,444.81	4,059.35	Gulf
27	E-5663	.8714034	763.63	2,145.50	Gulf
28	E-5758	1.4572745	1,277.05	3,587.98	Gulf
29	E-6401	.2602631	228.07	640.80	Cities Service
30	E-7494	2.2612222	1,981.56	5,567.40	Cities Service
31	E-7494	3.4408885	3,015.33	8,471.89	Sinclair
32	E-7659	.9279976	813.23	2,284.84	Gulf
33	E-7659	3.7986797	3,328.87	9,352.81	Gulf
34	E-7659	.2861809	250.79	704.61	Gulf
35	E-7659	.4341093	389.18	1,093.45	Gulf
36	E-8005-1	5.1287965	4,485.72	12,603.10	Superior
37	E-8005-1	1.8159794	1,591.39	4,471.16	Superior
38	E-8005-1	1.6870908	1,478.44	4,153.82	Cities Service
39	E-8063-1	.1346272	117.97	331.47	Cities Service
40	E-8149	.9726281	852.34	2,394.73	Superior
41	E-8226	.1504407	131.84	370.40	Superior
42	E-9217-1	.4547594	407.27	1,144.30	Tidewater
43	Fee	1.8271910	6,859.16	19,271.49	Gulf
44	Fee	5.9389924	5,204.48	14,622.52	Gulf

Total 87,632.34 246,212.08

Oil Conservation Division

Case No. 8

Exhibit No. 8



EFFECTIVE May 1, 1961

EXHIBIT "B"ROCK QUEEN UNITWELL INFORMATION

<u>TRACT NO.</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE AND/OR ASSIGNMENT NO.</u>	<u>BASIC ROYALTY</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND AMOUNT</u>	<u>WORKING INTEREST OWNER AND AMOUNT</u>	<u>PER CENT PARTICIPATION OF TRACT IN UNIT</u>
			<u>Federal</u>					
1	N/2 N/2 Sec. 25, T-13-S, R-31-E	160	LC-068288-A	12.5%	Superior	Ethel P. Erwin -.75% of 8/8 Elizabeth W. Chaney, Guardian Stanley W. Crosby, III -.75% of 8/8 McMurry College -.75% of 8/8 Rubie C. Bell -.75% of 8/8	Superior Oil	- 100% 4.3927530
2	S/2 S/2 Sec. 25, T-13-S, R-31-E	160	LC-068288-B	12.5%	Monsanto	Ethel P. Erwin - O/P \$187.50/acre out of .75% of 8/8 Elizabeth W. Chaney, Guardian Stanley W. Crosby, III - O/P \$562.50/acre out of .75% of 8/8 McMurry College - O/P \$562.50/acre out of .75% of 8/8 Rubie C. Bell - O/P \$562.50/acre out of .75% of 8/8	Monsanto Chemical	- 100% 5.2718764
3	E/2 NW/4 Sec. 27, T-13-S, R-31-E	80	NM-02509	12.5%	Skelly	None	Skelly Oil Co.	- 100% .6327585

Exhibit "g"  
Rock Queen Unit  
Well Information  
Page #2  
EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
			<u>Federal</u>					
4	NE/4 Sec. 27, T-13-S, R-31-E	160	NH-03844	12.5%	Hondo Oil & Gas Company	Hondo Oil & Gas - 22.5%	K.W. Davis, Sr. 30% of 65% of 100%	3.8119988
							Midland National Bank, A/C Westland, Inc. 70% of 65% of 100% (W.I. arises under O/A approved by Dec. 6-21-57)	
5	SE/4 Sec. 27, T-13-S, R-31-E	160	NH-04385	12.5%	Great Western	None	Great Western Drig. - 100%	2.8206618

		5 Federal Tracts		720 Acres		18 Wells		
		<u>State</u>						
6	W/2 SE/4 Sec.26, T-13-S, R-31-E	80	B-399-35	12.5%	Manforth Prod. Co., Inc.	Malcolm C. Damuth & First City Nat'l Bank of Houston, Trustee for Ethel Janet Boyle - .006076  William H. Danforth-.051649	Wolverine Oil Co. - 100%	1.7674440
7	SW/4 NW/4 Sec.23; NE/4 SE/4, SE/4 SW/4, NW/4 SW/4 Sec. 22; T-13-S, R-31-E	160	B-8318-109 B-10418-75 B-8605-26	12.5%	Geror Oil Geror Oil Geror Oil	Vada Spurck & Heilen Hudson - 6-1/4%	Geror Oil Corp. - 100%	1.4256418

Exhibit "B"  
Rock Queen Unit  
Well Information  
Page #3  
EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT	
State									
8	SE/4 NE/4 Sec.23, T-13-S, R-31-E	40	B-8459	12.5%	Gulf Oil	R.D. Collier - 1/16 of 8/8 Gulf Oil - 1/16 of 8/8	Leonard E.Cooper - 1/4 David J. Cooper - 1/16 Arthur J.Shield - 1/32 Milton E.Lehtman - 1/32 Carl X.Smith Construction Company - 1/16 D.C. Johnson - 1/32 Transqurip Co. - 1/16 S.R. Bazell - 1/32 S.H. Bazell - 1/32 Julius M.Rosenfield and Harriet B.Rosenfield - 1/32 Edward Rothbart - 1/32 Jos. B. Gould - 11/32	Not Committed	

Exhibit "g"  
Rock Queen Unit  
Well Information  
Page #4  
EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
			<u>State</u>					
9	E/2 NE/4 Sec. 26, T-13-S, R-31-E	80	B-8822-6	12.5%	Neil Salsich- 50% Pomeroy Smith- 50%	E.M. Schaad 27/40 of 1/12  Katheryn H. Gardiner - 9/80 of 1/12  Earl G. & Minnie S. Levick 17/80 of 1/12	Neil E. Salsich, Jr.  Pomeroy Smith  R. Searle McGrath	- 1/2  - 8/32  - 8/32
10	S/2 SW/4, NE/4 SW/4 Sec. 24, T-13-S, R-31-E	120	B-9359	12.5%	Great Western	None	Great Western	- 100%
11	SW/4 NE/4 Sec. 26, T-13-S, R-31-E	40	B-9495-6	12.5%	Delfern Oil	None	Delfern Oil Co.	- 100%
12	NE/4 SW/4 Sec. 22, T-13-S, R-31-E	40	B-9541	12.5%	Great Western	None	Great Western	- 100%
13	All Sec. 36, T-13-S, R-31-E	640	B-9541	12.5%	Great Western	None	Great Western	- 100%
14	SW/4 SE/4 Sec. 23, T-13-S, R-31-E	40	B-10418-44	12.5%	Henry T. Page	Helen Magruder Kolliker - 2.5% of 8/8  R.S. Magruder Est. - 2.5% of 8/8  Henry T. Page - 7.5% of 8/8	Great Western	- 100%

11.6027546

.1277395

1.1550296

.5000965

2.6745918

2.1509096

Exhibit "B"  
Rock Queen Unit  
Well Information  
Page #5  
EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
<u>State</u>								
15	NW/4 Sec. 26, T-13-S, R-31-E	160	B-10418-76	12.5%	Geror Oil	Vada Spurck & Helen Hudson - 6-1/4%	Geror Oil Corp.	- 100% 5.3068476
16	N/2 SW/4, E/2 SE/4 Sec. 26, T-13-S, R-31-E	160	B-10418-76	12.5%	Geror Oil	Vada Spurck & Helen Hudson - 6-1/4%	Geror Oil Corp.	- 100% 5.6916489
17	E/2 NE/4 Sec. 22, T-13-S, R-31-E	80	B-10419-39	12.5%	Cecil A. Gale- 50% Walter F. Gale- 50%	Cecil A. & Walter F. Gale - 1/32 of 8/8 Featherstone Corporation - 1/32 of 8/8	Ross Sears Estate George Williams	- 50% .8531039 - 50%
18	E/2 SW/4 Sec. 30, T-13-S, R-32-E	80	B-11332-12 B-11332-13	12.5%	Superior	Superior Oil - 7.0312% Robert E. Boling - 1% Rose F. Wilson - O/P 10/24 of 5.4688% Evelyn W. Linden - O/P 4/24 of 5.4688% Carper Drlg. Co. - O/P 5/24 of 5.4688% Herschel J. Blazer - O/P 5/24 of 5.4688%	Carper Drlg. Co., Inc. - 100%	1.5447101

Exhibit "B"  
Rock Queen Unit  
Well Information  
Page #6  
EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
State								
19	SE/4 SE/4 Sec.22, T-13-S, R-31-E	40	B-11644-7	12.5%	Geo.Williams	Helen Hudson - 1/16 of 8/8	George Williams - 100%	.6572838
20	E/2 NW/4 Sec.30, T-13-S, R-32-E	80	E-35-1	12.5%	Superior Oil	None	Superior Oil Co. - 100%	2.7146057
21	N/2 NW/4 Sec.35, T-13-S, R-31-E	80	E-473-8	12.5%	Ambassador	Heirs of Lillian V.Browne - 1% of 7/8	Ambassador Oil Corp. - 100%	2.7300702
22	NW/4 SE/4 Sec.22, T-13-S, R-31-E	40	E-1380	12.5%	T-P Coal & Oil	None	Texas-Pacific Coal and Oil Company - 100%	.2590203
23	SW/4 SE/4 Sec.22, T-13-S, R-31-E	40	E-4191	12.5%	Atlantic Refg.	Atlantic Refining- 27.5%	Landa Oil Co. - .191574 J.W. Bateson - .033334 J.Russell Bond - .015625 B.Felix Harris - .031250 Mrs. C.M. Harris - .015625 Howspin Corporation - .026668 Interlaken Corp. - .013334 Lithoprint Co. of New York, Inc. - .008004	.4301857
(continued)								

(continued)



Exhibit "B"  
 Rock Queen Unit  
 Well Information  
 Page #7  
 EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
			<u>State</u>					
							Lynch, Lynch & Watson-	.051250
							Nathan Adams	- .031250
							George T. Marchmont, Trustee	- .031250
							Edward W. Bradley	- .031250
							Arris Owen	- .062500
							Otto M. Radin	- .013334
							John R. Trett	- .062500
							Andrew & Elizabeth Reid	- .033334
							George Sarrafian	- .031250
							Michael Raymond Shaw & City Nat'l Bank & Trust Co. of Chicago, Co- Trustees under will of F. Raymond Shaw, Deceased	- .158334
							Great Western Drlg.	- .062500
							Stryker & Brown	- .033334
							Raymond L. Tate	- .031250
							Henry A. Brawn	- .031250

Exhibit "B"  
Rock Queen Unit  
Well Information  
Page #8  
EFFECTIVE May 1, 1961

TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
			State					
24	SE/4 SW/4 Sec.19, T-13-S, R-32-E	40	E-4192-1	12.5%	Amerada	None	Amerada Pet. Corp.	- 100% 1.3867440
25	NW/4 SW/4 Sec.24, T-13-S, R-31-E	40	E-5663	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% .5842787
26	NW/4 SE/4, SE/4 SE/4 Sec. 24, T-13-S, R-31-E	80	E-5663	12.5%	Gulf Oil	Gulf Oil	Neil E.Salsich, Jr. Pomeroy Smith R.Searle McGrath Tom Schneider	-24.5689 1.6487205 -35.6816 -35.6816 - 4.0679
27	SW/4 SE/4 Sec.24, T-13-S, R-31-E	40	E-5663	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% .8714034
28	S/2 SW/4 Sec.26, T-13-S, R-31-E	80	E-5758	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% 1.4572745
29	N/2 SE/4 Sec.23, T-13-S, R-31-E	80	E-6401	12.5%	Great Western	Cities Service	Great Western Drig.	- 1/8 of 8/8 - 100% .2602631
30	W/2 SE/4, NE/4 SE/4, SE/4 NE/4 Sec.30, T-13-S, R-32-E	160	E-7494	12.5%	Superior	Superior Oil Robert E.Boling	Carper Drig.Co.,Inc.	- 12.5% - 1% 2.2612222

Exhibit "B"  
Rock Queen Unit  
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EFFECTIVE May 1, 1961

<u>TRACT NO.</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE AND/OR ASSIGNMENT NO.</u>	<u>BASIC ROYALTY</u>	<u>LESSEE OF RECORD</u>	<u>OVERRIDING ROYALTY OWNER AND AMOUNT</u>	<u>WORKING INTEREST OWNER AND AMOUNT</u>	<u>PER CENT PARTICIPATION OF TRACT IN UNIT</u>
			<u>State</u>					
31	N/2 NE/4, SW/4 NE/4 Sec. 30, T-13-S, R-32-E	120	E-7494	12.5%	Superior	None	Superior Oil Co.	- 100% 3.4408885
32	W/2 NE/4 Sec. 22, T-13-S, R-31-E	80	E-7659	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% .9279976
33	E/2 NW/4, NW/4 NW/4, W/2 NE/4, SW/4 Sec. 23, T-13-S, R-31-E	360	E-7659	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% 3.7986797
34	SE/4 SE/4 Sec. 23, T-13-S, R-31-E	40	E-7659	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% .2861809
35	NW/4 NE/4 Sec. 26, T-13-S, R-31-E	40	E-7659	12.5%	Gulf Oil	None	Gulf Oil Corp.	- 100% .4441093
36	W/2 W/2 Sec. 30, T-13-S, R-32-E	173.2	E-8005-1	12.5%	Superior	None	Superior Oil Co.	- 100% 5.1187965
37	W/2 SE/4 Sec. 19, T-13-S, R-32-E	80	E-8005-1	12.5%	Superior	None	Superior Oil Co.	- 100% 1.8159794
38	E/2 SE/4 Sec. 19, T-13-S, R-32-E	80	E-8005-1	12.5%	Superior	Superior Oil - 12.5% Robert E. Boling - 1%	Carper Drilg. Co., Inc.	- 100% 1.6870908

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Rock Queen Unit  
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TRACT NO.	DESCRIPTION	NUMBER OF ACRES	LEASE AND/OR ASSIGNMENT NO.	BASIC ROYALTY	LESSEE OF RECORD	OVERRIDING ROYALTY OWNER AND AMOUNT	WORKING INTEREST OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
			State					
39	SW/4 NE/4 Sec.19, T-13-S, R-32-E	40	E-8063-1	12.5%	Superior	Superior - 12.5% Robert E.Boling - 1%	Carper Drig.Co.,Inc. - 100%	.1346272
40	NE/4 SW/4 Sec.19, T-13-S, R-32-E	40	E-8149	12.5%	Superior	None	Superior Oil Co. - 100%	.9726281
41	SW/4 SW/4 Sec.19, T-13-S, R-32-E	42.98	E-8226	12.5%	Superior	None	Superior Oil Co. - 100%	.1504407
42	NW/4 NW/4 Sec.31, T-13-S, R-32-E	43.59	E-9217-1	12.5%	Great Western	None	Great Western Drig. - 100%	.4647594
			37 State Tracts	3,659.77 Acres		90 Wells		
			Fee					
43	S/2 N/2, N/2 S/2 Sec. 25, T-13-S, R-31-E	320	W.M.Tulk & wife, Carrie E. Tulk Nancy L.King	6.25% 6.25%	Gulf Oil	None	Gulf Oil Corp. - 100%	7.8271910
44	NE/4, S/2 NW/4 Sec. 34, T-13-S, R-31-E	240	Clyde A.Browning & wife, Lela Browning	- 12.5%	Gulf Oil	None	Gulf Oil Corp. - 100%	5.9389924
			2 Fee Tracts	560 Acres		14 Wells		

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 Rock Queen Unit  
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TOTALS:

5 Federal Tracts	720	Acres	14.57557% of Unit Area
37 State of New Mexico Tracts	3,659.77	Acres	74.08787% of Unit Area
2 Fee Tracts	560	Acres	11.33656% of Unit Area
	4,939.77	Acres	100.00000% of Unit Area

ROCK QUEEN UNIT - - LEA AND CHAVES COUNTIES, NEW MEXICO

EXHIBIT "C"

ROCK QUEEN UNIT

UNIT PARTICIPATION

EFFECTIVE May 1, 1961

<u>WORKING INTEREST OWNERS</u>	<u>TOTAL UNIT PARTICIPATION</u>
Nathan Adams	.0134433
Ambassador Oil Corporation	2.7300702
Amerada Petroleum Corporation	1.3867440
J. W. Bateson	.0143398
J. Russell Bond	.0067217
Edward W. Bradley	.0134433
Henry A. Brawn	.0134433
Carper Drilling Company, Inc.	5.6276503
K. W. Davis, Sr.	3.8119988
Delfern Oil Company	1.1550296
Geror Oil Corporation	12.4241383
Great Western Drilling Company	18.4777533
Gulf Oil Corporation	22.1361075
B. Felix Harris	.0134433
Mrs. C. M. Harris	.0067216
Howspin Corporation	.0114721
Interlaken Corporation	.0057361
Landa Oil Company	.0824124
Lithoprint Company of New York, Inc.	.0034432
Lynch, Lynch & Watson	.0220470
R. Searle McGrath	1.1413813
George T. Marchmont, Trustee	.0134433
Monsanto Chemical Company	5.2718764
Arris Owen	.0268866
Andrew & Elizabeth Reid	.0143398
Otto M. Radin	.0057361



Exhibit "C"  
Rock Queen Unit  
Unit Participation  
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<u>WORKING INTEREST OWNERS</u>	<u>TOTAL UNIT PARTICIPATION</u>
Neil E. Salsich, Jr.	1.4911063
George Sarrafian	.0134433
Tom Schneider	.0257613
Ross Sears Estate	.4265520
Michael Raymond Shaw & City National Bank & Trust Company of Chicago, Co-Trustees under will of F. Raymond Shaw, Deceased	.0681130
Skelly Oil Company	.6327585
Pomeroy Smith	1.1413813
Stryker & Brown	.0143398
Superior Oil Company	18.6060919
Raymond Tate	.0134433
Texas-Pacific Coal & Oil Company	.2590203
John R. Trett	.0268866
George Williams	1.0838358
Wolverine Oil Company	<u>1.7674440</u>
TOTAL	100.0000000

