

EXHIBIT "B"

WEST ANDERSON RANCH UNIT AREA

CHAVES, EDDY AND LEA COUNTIES, NEW MEXICO
TOWNS. 15 and 16 SOUTH, RGS. 31 and 32 EAST

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS
INTERESTS IN ALL LANDS IN THE UNIT AREA

Tract No.	Description of Land	No. of Acres	Lease No. and Expiration Date of Lease	Basic Royalty & Percentage	Overriding Royalty & Percentage	Working Interest Owner
<u>STATE LAND</u>						
1	<u>T-16-S, R-31-E</u> <u>Sec. 2: N$\frac{1}{2}$SW$\frac{1}{4}$</u>	80	B-3006 H.B.P.	State of New Mexico All	George M. Gardner and wife, Blanche M. Gardner; Roy Hawley and wife, Eloise Hawley, obligation \$200.00 per acre out of 2% production	Continental Oil Company
2	<u>T-16-S, R-31-E</u> <u>Sec. 1: Lot 15</u> <u>T-16-S, R-32-E</u> <u>Sec. 6: Lot 8</u>	80	B-6672 H.B.P.	State of New Mexico All	None	Tide Water Associated Oil Company
3	<u>T-15-S, R-31-E</u> <u>Sec. 34: SW$\frac{1}{4}$NW$\frac{1}{4}$</u>	40	B-8318 H.B.P.	State of New Mexico All	William Spurck and wife, Vada Spurck 5%	Continental Oil Company
4	<u>T-16-S, R-32-E</u> <u>Sec. 6: Lots 4 and 12</u>	78.32	B-9179 6-10-55	State of New Mexico All	None	Amerada Petroleum Corporation
5	<u>T-16-S, R-32-E</u> <u>Sec. 6: Lots 1, 2, 5, 11 and 13</u>	197.57	B-9217 7-10-55	State of New Mexico All	None	Continental Oil Company
6	<u>T-15-S, R-31-E</u> <u>Sec. 33: NE$\frac{1}{4}$NE$\frac{1}{4}$</u>	40	B-10411 H.B.P.	State of New Mexico All	First National Bank of Nevada, Trustee for the Estate of Allie M. Lee, Deceased 5%	Continental Oil Company

7	<u>T-15-S, R-31-E</u> Sec. 33: $\text{SW}\frac{1}{4}\text{NW}\frac{1}{4}$, $\text{SW}\frac{1}{4}\text{SE}\frac{1}{4}$	80	B-10424 H.B.P.	State of New Mexico All	Barney Cockburn and wife, Maggie Suetta Cockburn	2½%	Continental Oil Company
8	<u>T-16-S, R-32-E</u> Sec. 5: Lots 5, 6, $\text{S}\frac{1}{2}\text{SE}\frac{1}{4}$	160	B-11078 H.B.P.	State of New Mexico All	None		Gulf Oil Corporation
9	<u>T-16-S, R-32-E</u> Sec. 5: Lots 11, 12 Sec. 7: $\text{SW}\frac{1}{4}\text{NE}\frac{1}{4}$	120	B-11269 H.B.P.	State of New Mexico All	None		The Texas Company
10	<u>T-16-S, R-32-E</u> Sec. 7: Lot 1, $\text{NE}\frac{1}{4}\text{NW}\frac{1}{4}$	80.44	B-11337 7-10-54	State of New Mexico All	None		Gulf Oil Corporation
11	<u>T-16-S, R-32-E</u> Sec. 5: Lot 16	40	B-11393 8-10-54	State of New Mexico All	None		Magnolia Petroleum Company
12	<u>T-16-S, R-32-E</u> Sec. 8: $\text{SE}\frac{1}{4}\text{NW}\frac{1}{4}$	40	B-11394 8-10-54	State of New Mexico All	None		Sinclair Oil & Gas Company
13	<u>T-16-S, R-31-E</u> Sec. 2: Lots 9, 10, 15 and 16	160	B-11453 9-11-54	State of New Mexico All	None		Gulf Oil Corporation
14	<u>T-16-S, R-31-E</u> Sec. 1: Lots 6, 11, $\text{NW}\frac{1}{4}\text{SW}\frac{1}{4}$, $\text{SE}\frac{1}{4}\text{SW}\frac{1}{4}$ Sec. 2: Lots 7, 13	240	E-375 6-11-55	State of New Mexico All	None		Gulf Oil Corporation
15	<u>T-16-S, R-32-E</u> Sec. 5: Lot 15	40	E-376 6-11-55	State of New Mexico All	None		British American Oil Producing Company
16	<u>T-16-S, R-32-E</u> Sec. 6: Lot 17, $\text{NE}\frac{1}{4}\text{SW}\frac{1}{4}$ $\text{SE}\frac{1}{4}\text{SW}\frac{1}{4}$, $\text{SE}\frac{1}{4}$ Sec. 8: $\text{SE}\frac{1}{4}\text{NE}\frac{1}{4}$	320.39	E-483 8-10-55	State of New Mexico All	None		Texas Pacific Coal and Oil Company
17	<u>T-16-S, R-31-E</u> Sec. 1: Lot 8, $\text{NW}\frac{1}{4}\text{SE}\frac{1}{4}$	80	E-941 8-10-56	State of New Mexico All	Olen F. Featherstone and wife, Martha Featherstone	1/16 of 8/8	Continental Oil Company

18	<u>T-15-S, R-31-E</u> Sec. 33: SW $\frac{1}{4}$ NE $\frac{1}{4}$	40	E-1469 9-10-57	State of New Mexico All	Ernest A. Hanson and wife, Beulah I. Hanson 1/16 of 8/8	Continental Oil Company
19	<u>T-15-S, R-31-E</u> Sec. 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$	80	E-1569 11-10-57	State of New Mexico All	Ernest A. Hanson and wife, Beulah I. Hanson 1/16 of 8/8	Continental Oil Company
20	<u>T-16-S, R-32-E</u> Sec. 5: Lot 10, SE $\frac{1}{4}$ SW $\frac{1}{4}$	80	E-2122 9-10-58	State of New Mexico All	None	Skelly Oil Company
21	<u>T-15-S, R-31-E</u> Sec. 33: NW $\frac{1}{4}$ NW $\frac{1}{4}$	40	E-2771 7-11-59	State of New Mexico All	None	Vickers Petroleum Company
22	<u>T-16-S, R-32-E</u> Sec. 6: Lots 9, 10, 14, 15, 16	200	E-2797 7-11-59	State of New Mexico All	None	Texas Pacific Coal and Oil Company
23	<u>T-16-S, R-32-E</u> Sec. 7: SE $\frac{1}{4}$ NE $\frac{1}{4}$	40	E-2798 7-11-59	State of New Mexico All	None	Texas Pacific Coal and Oil Company
24	<u>T-16-S, R-31-E</u> Sec. 1: Lots 12, 13 SW $\frac{1}{4}$ SW $\frac{1}{4}$	120	E-2934 9-10-59	State of New Mexico All	None	Sinclair Oil & Gas Company
25	<u>T-16-S, R-32-E</u> Sec. 8: W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$	120	E-3632 6-10-60	State of New Mexico All	None	Sinclair Oil & Gas Company
26	<u>T-16-S, R-32-E</u> Sec. 5: Lots 9, 14, NE $\frac{1}{4}$ SW $\frac{1}{4}$	120	E-4034 8-10-60-	State of New Mexico All	None	Phillips Petroleum Company
27	<u>T-16-S, R-31-E</u> Sec. 1: Lots 1, 2, 3, 4, 7, 10, NE $\frac{1}{4}$ SW $\frac{1}{4}$	549.16	E-4199 9-11-60	State of New Mexico All	None	Gulf Oil Corporation
	<u>T-16-S, R-32-E</u> Sec. 5: Lots 7, 8, Sec. 6: Lots 3, 6, 7 Sec. 7: N $\frac{1}{2}$ NE $\frac{1}{4}$					

28	<u>T-15-S, R-31-E</u> Sec. 34: SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$	280	E-5299 6-11-61	State of New Mexico All	None	Continental Oil Company
29	<u>T-16-S, R-31-E</u> Sec. 2: Lots 5, 6, 8, 12, S $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$	280	E-5300 6-11-61	State of New Mexico All	None	Continental Oil Company
30	<u>T-16-S, R-32-E</u> Sec. 5: NW $\frac{1}{4}$ SW $\frac{1}{4}$	40	E-5450 8-10-61	State of New Mexico All	None	Gulf Oil Corporation
31	<u>T-16-S, R-32-E</u> Sec. 6: Lot 18	40.42	E-5549 9-10-61	State of New Mexico All	None	Gulf Oil Corporation
32	<u>T-16-S, R-32-E</u> Sec. 8: SW $\frac{1}{4}$ NE $\frac{1}{4}$	40	E-5764 11-10-61	State of New Mexico All	None	Continental Oil Company
33	<u>T-15-S, R-31-E</u> Sec. 33: NW $\frac{1}{4}$ NE $\frac{1}{4}$	40	E-5988 2-11-62	State of New Mexico All	None	Texas Pacific Coal and Oil Company
34	<u>T-16-S, R-32-E</u> Sec. 5: SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 8: NE $\frac{1}{4}$ NW $\frac{1}{4}$	80	E-5992 2-11-62	State of New Mexico All	None	Sinclair Oil & Gas Company
35	<u>T-16-S, R-31-E</u> Sec. 1: Lots 9, 14, 16, E $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 2: Lot 1, E $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 3: E $\frac{1}{2}$ SE $\frac{1}{4}$	478.04	E-6484 9-10-62	State of New Mexico All	None	Continental Oil Company
36	<u>T-16-S, R-32-E</u> Sec. 5: Lot 13	40	E-7073 4-10-63	State of New Mexico All	None	McAlester Fuel Company
37	<u>T-16-S, R-32-E</u> Sec. 5: N $\frac{1}{2}$ SE $\frac{1}{4}$	80	E-7127 5-11-63	State of New Mexico All	None	Continental Oil Company
38	<u>T-16-S, R-32-E</u> Sec. 8: NW $\frac{1}{4}$ NE $\frac{1}{4}$	40	E-7176 6-10-63	State of New Mexico All	None	Continental Oil Company
39	<u>T-16-S, R-31-E</u> Sec. 2: Lots 11, 14	80	E-7274 7-21-63	State of New Mexico All	None	Continental Oil Company

None

State of New
Mexico All

E-7431
9-15-63

400

40 T-15-S, R-31-E
Sec. 33: NE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$
N $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$,
S $\frac{1}{2}$ SW $\frac{1}{4}$
Sec. 34: NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

T-16-S, R-31-E
Sec. 3: Lot 16

Continental Oil Company

None

State of New
Mexico All

E-7744
1-19-64

80

41 T-16-S, R-31-E
Sec. 3: Lot 8, 9

Amerada Petroleum
Corporation

None

State of New
Mexico All

E-8262
6-15-64

40

42 T-15-S, R-31-E
Sec. 33: NW $\frac{1}{4}$ SW $\frac{1}{4}$

42 STATE TRACTS, CONTAINING 5,304.34 ACRES OR 99.25% OF UNIT AREA

Tract No.	Description of Land	No. of Acres	Lease No. and Expiration Date of Lease	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest Owner
43	<u>I-16-S, R-31-E</u> Sec. 1: Lot 5	40	LC-066137 2-1-56 (primary term)	USA - All	Southern Union Gas Company	None	Southern Union Gas Company
1 FEDERAL TRACT, CONTAINING 40 ACRES, OR .75% OF UNIT AREA							

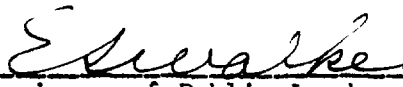
CERTIFICATE OF APPROVAL
BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO
OF UNIT AGREEMENT FOR DEVELOPMENT AND OPERATION
OF WEST ANDERSON RANCH UNIT AREA, CHAVES, EDDY AND LEA
COUNTIES, NEW MEXICO

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, an agreement for the development and operation of the West Anderson Ranch Unit Area, Chaves, Eddy and Lea Counties, New Mexico, dated the 22nd day of June, 1954, in which the Continental Oil Company, a corporation, is designated as Operator, and which has been executed by various parties owning and holding oil and gas leases embracing lands within the Unit Area and upon examination of said Agreement, the Commissioner finds:

- (a) That such Agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said field;
- (b) That under the operations proposed, the State will receive its fair share of the recoverable oil or gas in place under its land in the area affected;
- (c) That the Agreement is in other respects for the best interest of the State;
- (d) That the Agreement provides for the unit operation of the field, for the allocation of production, and the sharing of proceeds from a part of the area covered by the Agreement on an acreage basis as specified in the Agreement.

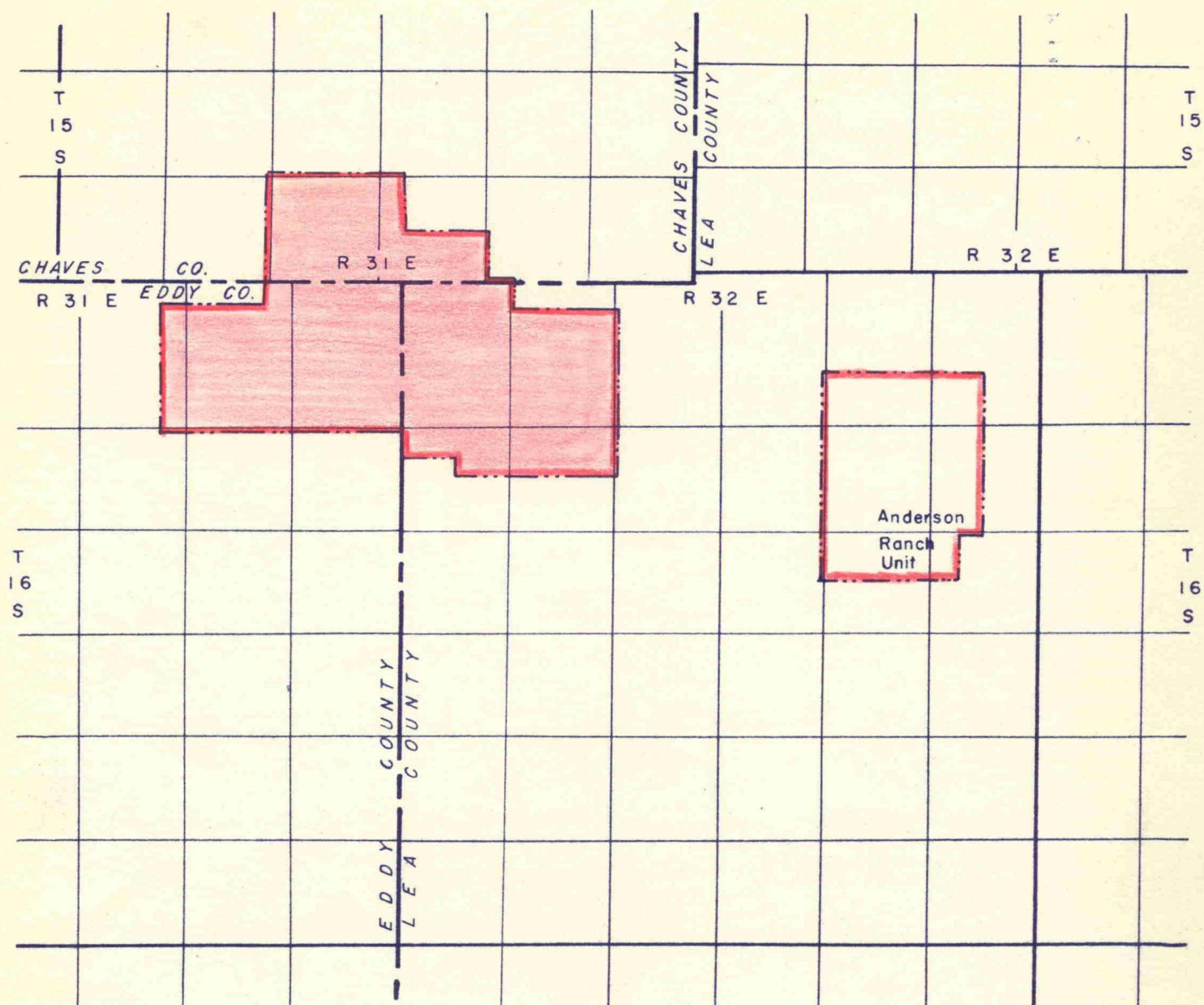
NOW THEREFORE, by virtue of the authority conferred upon me by the Laws of the State of New Mexico, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the above referred to West Anderson Ranch Unit Agreement as to the lands of the State of New Mexico committed thereto, and all oil and gas leases embracing lands of the State of New Mexico committed to said Agreement shall be and the same are hereby amended so that the provisions thereof will conform to the provisions of said Unit Agreement and so that the length of the secondary term of each such lease as to the lands within the unit area will be extended, insofar as necessary, to coincide with the term of said Unit Agreement, and in the event the term of said Unit Agreement shall be extended as provided therein such extension shall also be effective to extend the term of each oil and gas lease embracing lands of the State of New Mexico committed to said Unit Agreement which would otherwise expire, so as to coincide with the extended term of such Unit Agreement.

IN WITNESS WHEREOF, this certificate of approval is executed as of this the 14th day of July, 1954.



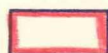
Commissioner of Public Lands of the
State of New Mexico

EXHIBIT 1



PROPOSED WEST ANDERSON RANCH UNIT AREA

--LEGEND--



ANDERSON RANCH UNIT



PROPOSED WEST ANDERSON RCH. U.

SCALE: 1" = 8000'

ROSWELL DIVISION
ROSWELL, NEW MEXICO

CONTINENTAL OIL COMPANY
MAY 26, 1954