

I N D E X

E X H I B I T "B"

AMBASSADOR LEASES:

PAGE
1 through 7

Tracts; 2, 3, 9, 10, 11, 12, 14, ----
16,19,20, 25, 29

GRARIDGE LEASES:

8 and 9

Tracts: 1, 4, 5, 6, 7, 8, ----
13,18,21,22,26,27,

GREAT WESTERN DRILLING COMPANY

10

Tracts: 17, 23, 24, 28 ----

GULF OIL CORPORATION LEASES:

Tract 15 ---- 10

EXHIBIT "B"							PER CENT PARTICIPATION OF TRACT IN UNIT
TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	
**2	Lot 2, Sec. 1, T13S, R31E, Chaves County, ** Curtis McBroom, C. H. Cooper, W. V. Coffey K. L. Smith, B. H. Murphy, Delfern Oil Company	40.13	B-8828-41	St. N. Mex. 12.5%	Ambassador Oil Corporation Dulaney Oil Company R. O. Dulaney, Jr. E. Stanley Klein John P. Maguire Oliver P. Appleton Elsa G. Appleton Barry T. Letthead Kenneth W. Fraser D. W. Vreeland Wm. N. Snow The Estate of William J. Gallon, Deceased	140/840) 50/840 *) 50/840 *) 100/840 *) 100/840 *) 50/840 *) 100/840 *) 50/840 *) 25/840 *) 50/840 *) 100/840 *)	2.340015
**3	NE/4 NW/4, Sec. 1, T13S, R31E, Chaves Co. ** Curtis McBroom, C. H. Cooper, W. V. Coffey K. L. Smith, B. H. Murphy, William Spurck and wife, Vada Spurck, Helen Hudson, Bernice Pederson	40	B-10420-146	St. N. Mex. 12.5%	Ambassador Oil Corporation Dulaney Oil Company R. O. Dulaney, Jr. E. Stanley Klein John P. Maguire Oliver D. Appleton Elsa G. Appleton Barry T. Letthead Kenneth W. Fraser D. W. Vreeland Wm. N. Snow The Estate of William J. Gallon, Deceased.	140/840) 50/840 *) 50/840 *) 100/840 *) 100/840 *) 50/840 *) 100/840 *) 50/840 *) 25/840 *) 50/840 *) 100/840 *)	0.703290

EXHIBIT "B"

TRACT					PER CENT	
NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	OWNER OF RECORD AND WORKING INTEREST OWNER	PARTICIPATION OF TRACT IN UNIT
**9	NE/4 SW/4, Sec. 1,T)3S, R31E, Chaves County,	40	B-8318-107	St. N. Mex. 12.5%	Ambassador Oil Corporation Dulaney Oil Company R. O. Dulaney E. Stanley Klein John P. Maguire Oliver D. Appleton Elsa G. Appleton Barry T. Letthead Kenneth W. Fraser D. W. Vreeland Wm. N. Snow The Estate of William J. Gallon, Deceased.	140/840)

** Curtis McBroom, C. H. Cooper, W. V. Coffey
K. L. Smith, P. H. Murphy, William Spurck
and wife, Vada Spurck, Delfern Oil Company

EXHIBIT B (continued)

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT.
**10	W/2 SW/4, Sec. 1, T 13 S, R 31 E, Chaves County,	80	B-10417-5	St. N. Mex. 12.5%	Ambassador Oil Corporation Dulaney Oil Company R. O. Dulaney, Jr. E. Stanley Klein John P. Maguire Oliver D. Appleton Elsa G. Appleton Barry T. Leithhead Kenneth W. Fraser D. W. Vreeland Wm. N. Snow The Estate of William J. Gallon, Deceased.	140/840) 50/840 *) 50/840 *) 100/840 *) 100/840 *) 50/840 *) 100/840 *) 50/840 *) 25/840 *) 25/840 *) 50/840 *) 100/840 *)	4.160039
	** Curtis McBroom, C. H. Cooper, W. V. Coffey, K. L. Smith, B. H. Murphy, A. K. Polls, McRae Oil and Gas Corporation,						
**11	SE/4 SW/4, Sec. 1, T 13 S, R 31 E, Chaves County,	40	B-8605-23	St. N. Mex. 12.5%	Ambassador Oil Corporation Dulaney Oil Company R. O. Dulaney, Jr. E. Stanley Klein John P. Maguire Oliver D. Appleton Elsa G. Appleton Barry T. Leithhead Kenneth W. Fraser D. W. Vreeland Wm. N. Snow The Estate of William J. Gallon, Deceased,	140/840) 50/840 *) 50/840 *) 100/840 *) 100/840 *) 50/840 *) 100/840 *) 50/840 *) 25/840 *) 25/840 *) 50/840 *) 100/840 *)	3.316786
	** Curtis McBroom, C. H. Cooper, W. V. Coffey, K. L. Smith, B. H. Murphy, Delfern Oil Company, Lee B. Gilpin						

EXHIBIT B (Continued)

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	PER CENT PARTICIPATION OF	
							TRACT	IN UNIT
**12	S/2 SE/4, Sec. 1, T13S, R31E, Chaves County	80	B-10418-73	St. N. Mex. 12.5%	Ambassador Oil Corporation	140/840)	7.882315	
					Dulaney Oil Company	50/840 *)		
**14	N/2 NE/4, Sec. 12, T13S, R31E, Chaves County	80	B-10411-21	St. N. Mex. 12.5%	R. O. Dulaney, Jr.	50/840 *)	5.917420	
					E. Stanley Klein	100/840 *)		
					John P. Maguire	100/840 *)		
					Oliver D. Appleton	50/840 *)		
					Elsa G. Appleton	100/840 *)		
					Barry T. Leithhead	50/840 *)		
					Kenneth W. Fraser	25/840 *)		
					D. W. Vreeland	25/840 *)		
					Wm. N. Snow	50/840 *)		
					The Estate of William J. Gallon, Deceased	100/840 *)		
**12	S/2 SE/4, Sec. 1, T13S, R31E, Chaves County	80	B-10418-73	St. N. Mex. 12.5%	Ambassador Oil Corporation	140/840)	7.882315	
					Dulaney Oil Company	50/840 *)		
					R. O. Dulaney, Jr.	50/840 *)		
					E. Stanley Klein	100/840 *)		
					John P. Maguire	100/840 *)		
					Oliver D. Appleton	50/840 *)		
					Elsa G. Appleton	100/840 *)		
					Barry T. Leithhead	50/840 *)		
					Kenneth W. Fraser	25/840 *)		
					D. W. Vreeland	25/840 *)		
**14	N/2 NE/4, Sec. 12, T13S, R31E, Chaves County	80	B-10411-21	St. N. Mex. 12.5%	Wm. N. Snow	50/840 *)	5.917420	
					The Estate of William J. Gallon, Deceased	100/840 *)		
					Ambassador Oil Corporation	140/840)		
					Dulaney Oil Company	50/840 *)		
					R. O. Dulaney, Jr.	50/840 *)		
					E. Stanley Klein	100/840 *)		
					John P. Maguire	100/840 *)		
					Oliver D. Appleton	50/840 *)		
					Elsa G. Appleton	100/840 *)		
					Barry T. Leithhead	50/840 *)		

** Curtis McBroom, C. H. Cooper, W. V. Coffey,
K. L. Smith, B. H. Murphy, Delfern Oil Company,
Clarence E. Hinkle, Trustee for the Estate of
Allie M. Lee, Deceased.

** Curtis McBroom, C. H. Cooper, W. V. Coffey,
K. L. Smith, B. H. Murphy, Delfern Oil Company,
William Spurck and wife, Vada Spurck

EXHIBIT B (Continued)

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT	
					OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT
**16	S/2 NW/4, Sec. 12, T 13 S, R, 31 E. Chaves County	80	B-10417-5	St. N. Mex. 12.5%	Ambassador Oil Corporation	140/840)
					Dulaney Oil Company	50/840 *)
					R. O. Dulaney, Jr.	50/840 *)
					E. Stanley Klein	100/840 *)
					John P. Maguire	100/840 *)
					Oliver D. Appleton	50/840 *)
					Elsa G. Appleton	100/840 *)
					Barry T. Leithhead	50/840 *)
					Kenneth W. Fraser	25/840 *)
					D. W. Vreeland	25/840 *)
					Wm. N. Snow	50/840 *)
					The Estate of William J. Gallon, Deceased	100/840
						4.543107
**19	Lots 2, 3, & 4, Sec. 7 T 13 S, R 32 E, Lea County	125.98	B-11447-2	St. N. Mex. 12.5%	Ambassador Oil Corporation	140/840)
					Dulaney Oil Company	50/840 *)
					R. O. Dulaney, Jr.	50/840 *)
					E. Stanley Klein	100/840 *)
					John P. Maguire	100/840 *)
					Oliver D. Appleton	50/840 *)
					Elsa G. Appleton	100/840 *)
					Barry T. Leithhead	50/840 *)
					Kenneth W. Fraser	25/840 *)
					D. W. Vreeland	25/840 *)
					Wm. N. Snow	50/840 *)
					The Estate of William J. Gallon, Deceased,	100/840 *)
						16.634705

** Curtis McBroom, C. H. Cooper, W. V. Coffey, K. L. Smith, B. H. Murphy, Delfern Oil Company and Pan American Petroleum Corporation.

EXHIBIT "B"

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	PER CENT PARTICIPATION OF	
					TRACT	IN UNIT
**20	NW/4 SE/4, Sec. 12, T13S, R31E, Chaves County, **Curtis McBroom, C. H. Cooper, W. V. Coffey K. L. Smith, B. H. Murphy, William Spurck and wife, Vada Spurck,	40	B-10420-146	St. N. Mex. 12.5%	OWNER OF RECORD AND	1,773,366
					WORKING INTEREST OWNER	
					AMOUNT	
					Ambassador Oil Corporation	
					140/840)	
					Dulaney Oil Company	
					50/840 *)	
					R. O. Dulaney	
					50/840 *)	
					E. Stanley Klein	
					100/840 *)	
					John P. Maguire	
					100/840 *)	
					Oliver D. Appleton	
					50/840 *)	
**25	E/2 NE/4, Sec. 11, T13S, R31E, Chaves County, ** Curtis McBroom, C. H. Cooper, W. V. Coffey K. L. Smith, B. H. Murphy, Delfern Oil Company, Pan American Petroleum Corporation.	80	B-11447-2	St. N. Mex. 12.5%	OWNER OF RECORD AND	3,110,472
					WORKING INTEREST OWNER	
					AMOUNT	
					Ambassador Oil Corporation	
					140/840)	
					Dulaney Oil Company	
					50/840 *)	
					R. O. Dulaney, Jr.	
					50/840 *)	
					E. Stanley Klein	
					100/840 *)	
					John P. Maguire	
					100/840 *)	
					Oliver D. Appleton	
					50/840 *)	
					Elsa G. Appleton	
					100/840 *)	
					Barry T. Leithhead	
					50/840 *)	
					Kenneth W. Fraser	
					25/840 *)	
					D. W. Vreeland	
					25/840 *)	
					Wm. N. Snow	
					50/840 *)	
					The Estate of William J. Gallon, Deceased.	
					100/840 *)	

EXHIBIT "B"

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT
**29	SE/4 SW/4, Sec. 36, T-12S, 40 R32E, Chaves County, ** Curtis McBroom, C. H. Cooper, W. V. Coffey K. L. Smith, B. H. Murphy, William Spurck and wife, Vada Spurck, Helen Hudson, Berniece Pederson.	40	B-8318-108	St. N. Mex. 12.5%	Ambassador Oil Corporation	140/840	1.082032
					Dulaney Oil Company	50/840 *	
					R. O. Dulaney, Jr.	50/840 *	
					E. Stanley Klein	100/840 *	
					John P. Maguire	100/840 *	
					Oliver D. Appleton	50/840 *	
					Elsa G. Appleton	100/840 *	
					Barry T. Leithead	50/840 *	
					Kenneth W. Fraser	25/840 *	
					D. W. Vreeland	25/840 *	
					Wm. N. Snow	50/840 *	
					The Estate of William J. Gallon, Deceased.	100/840 *	

* NOTE:
This interest is subject to a carried interest owned by Ambassador Oil Corporation and the participation of Ambassador Oil Corporation will increase as between itself and the owner of this interest when Ambassador becomes entitled to its carried interest as provided by the agreement by and between the owner of such interest and Ambassador Oil Corporation of record in the named county.

** NOTE:
The listed parties own oil payments or overriding royalty interests which prior to the execution of this instrument, were payable out of production from the listed tract as reflected by instruments of record in said county, but which will, after the execution of this instrument, be payable out of production allocated to such tract.

EXHIBIT B (Continued)

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT		OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT	
1	Lot 1, Sec. 1, T 13 S, R 31 E, Chaves County,	40.64	B-8828-40	St. N. Mex. 12.5%		Graridge Corporation	100%	.820647	
	# Wm. R. Spurck and wife, Vada Spurck, Effie McKay								
4	SE/4 NW/4, Sec. 1, T 13 S, R 31 E, Chaves County	40	B-10416-29	St. N. Mex. 12.5%		Graridge Corporation	100%	.618638	
	# The Vickers Petroleum Co., Inc., Chas H. Osmond, Roderic Crandall, Maxwell Oil Co.								
5	SW/4 NE/4, Sec. 1, T 13 S, R 31 E, Chaves County,	40	B-9155-6	St. N. Mex. 12.5%		Graridge Corporation	100%	2.611024	
	#Great Western Drilling Company								
6	SE/4 NE/4, Sec. 1, T 13 S, R 31 E, Chaves County,	40	B-10242-6	St. N. Mex. 12.5%		Graridge Corporation	100%	1.196052	
	# R. O. Dulaney, Jr.								
7	NE/4 SE/4, Sec. 1, T 13 S, R 31 E, Chaves County	40	B-10416-24	St. N. Mex. 12.5%		Graridge Corporation	100%	3.356805	
	#Chas. H. Osmond, Roderic Crandall, Maxwell Oil Co.								
8	NW/4 SE/4, Sec. 1, T 13 S, R 31 E, Chaves County,	40	B-10416-26	St. N. Mex. 12.5%		Graridge Corporation	100%	1.619651	
	# Chas. H. Osmond, Roderic Crandall, Maxwell Oil Co.								
13	Lot 1, Sec. 7, T 13 S, R 32 E, Lea County	41.82	B-10973-9	St. N. Mex. 12.5%		Graridge Corporation	100%	2.442743	

EXHIBIT "B" (Continued)

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.	ROYALTY OWNER AND AMOUNT	OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT	9
18	NE/4SE/4 and SE/4 NE/4 Sec. 12, T13S, R31E, Chaves County	80	B-10416-29	St. N. Mex. 12.5%	Graridge Corporation	100%	5.487033	
	# Chas. H. Osmond, Roderic Crandall, Maxwell Oil Co., and The Vickers Petroleum Co., Inc.							
21	SE/4 SE/4, Sec. 12, T13S, R31E, Chaves Co.	40	B-8429-21	St. N. Mex. 12.5%	Graridge Corporation	100%	1.237683	
	# Ernest John Goldsworthy and Emma J. Goldsworthy,							
22	SW/4,SE/4 Sec. 12, T13S, R31E, Chaves Co.	40	B-10416-25	St. N. Mex. 12.5%	Graridge Corporation	100%	1.915316	
	# Chas. H. Osmond, Roderic Crandall, Maxwell Oil Co.							
26	W/2 NE/4, Sec. 11, T13S, R31E, Chaves County,	80	B-399-37	St. N. Mex. 12.5%	#Graridge Corporation	100%	2.154237	
	# City National Bank of Houston and Malcolm C. Damuth, Trustees for Ethel Janet Boyle, William H. Danforth							
27	SE/4,S/2 & NE/4 of SW/4, Sec. 11, T13S, R31E, Chaves County,	280	B-8631-3	St. N. Mex. 12.5%	Graridge Corporation	100%	8.625006	
	# Ohio Oil Company							

#NOTE The parties listed below each tract own overriding royalty interests which, prior to execution of this instrument, were payable out of production from such tract under the terms of the lease covering such tract as reflected by instruments of record in said county, but which will, after the execution of this instrument, be payable out of the production allocated to such tract.

#NOTE Subject to a beneficial interest in favor of Oil & Gas Property Management, Inc., and Clardy & Barnett, as per terms of agreement recorded in Vol. 21, page 124, Oil and Gas Records, Chaves County, New Mexico.

Graridge Leases

EXHIBIT B

EXHIBIT "B" (Continued)

TRACT NO.	DESCRIPTION	ACREAGE	LEASE AND ASSIGNMENT NO.		ROYALTY OWNER AND AMOUNT		OWNER OF RECORD AND WORKING INTEREST OWNER	AMOUNT	PER CENT PARTICIPATION OF TRACT IN UNIT	
17	SW/4 NE/4, Sec. 12, T13S, R31E, Chaves County	40	B-104-16		St. New Mex. 12.5%		Great Western Drilling Co.	100%	3.616201	
	@ Maxwell Oil Company, Charles H. Osmond, Roderic Crandall									
23	E/2 SW/4, Sec. 12, T13S, R31E, Chaves County	80	B-9155		St. New Mex. 12.5%		Great Western Drilling Co.	100%	7.229775	
	@ Great Western Drilling Company, Cascade Petroleum Company.									
24	W/2 SW/4, Sec. 12, T13S, R31E, Chaves County	80	B-7878		St. New Mex. 12.5%		Great Western Drilling Co.	100%	4.157687	
	@ Great Western Drilling Company, Cascade Petroleum Company									
28	SE/4 SE/4, Sec. 2, T13S, R31E, Chaves County	40	B-9541		St. New Mex. 12.5%		Great Western Drilling Co.	100%	1.046100	
	@ Great Western Drilling Company									
15	N/2 NW/4, Sec. 12, T13S, R31E, Chaves County	80	B-8459		St. New Mex. 12.5%		Gulf Oil Corporation	100%	4.021426	

(NOTE: The parties listed below each tract own overriding royalty interests which, prior to execution of this instrument, were payable out of production from such tract under the terms of the lease covering such tract as reflected by instruments of record in the County of Chaves, New Mexico, but which will, after the execution of this instrument, be payable out of the production allocated to such tract.

EXHIBIT C

<u>OPERATOR</u>	<u>TOTAL UNIT PARTICIPATION</u>
Ambassador Oil Corporation	7.973993
Oliver D. Appleton	2.847855 *
Elsa G. Appleton	5.695711 *
Dulaney Oil Company	2.847855 *
R. O. Dulaney, Jr.	2.847855 *
Kenneth W. Fraser	1.423932 *
Estate of Wm. J. Gallon, Deceased	5.695711 *
Graridge Corporation	32.084835
Great Western Drilling Company	16.049763
Gulf Oil Corporation	4.021426
E. Stanley Klein	5.695711*
Barry T. Leithead	2.847855 *
John P. Maguire	5.695711 *
Wm. N. Snow	2.847855 *
D. W. Vreeland	1.423932 *
	100,000000

* This interest is subject to a carried interest owned by Ambassador Oil Corporation and the participation of Ambassador Oil Corporation will increase as between itself and the owner of this interest when Ambassador becomes entitled to its carried interest as provided by the agreements by and between the owner of such interest and Ambassador Oil Corporation of record in Chaves County, New Mexico.