

| TRACT NO. | DESCRIPTION OF LAND                                                                  | NUMBER OF ACRES | APPLICATION OR SERIAL NO. AND EFFECTIVE OR EXPIRATION DATE OF LEASE | BASIC ROYALTY AND PERCENTAGE | LESSEE OF RECORD                                    | OVERRIDING ROYALTY AND PERCENTAGE                              | WORKING INTEREST AND PERCENTAGE                              |
|-----------|--------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------|------------------------------|-----------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|
| 10        | SW/4 Sec. 5, T-26S, R-23E                                                            | 40.00           | NM-014458-A<br>6-30-66                                              | 1/8 - U.S.A.                 | Aztec Oil & Gas Co. & Southern Union Production Co. | L.A. Poole & Lida Kate Poole<br>5%                             | Aztec Oil & Gas Co. 50%<br>Southern Union Production Co. 50% |
| 11        | Lots 3 & 4, NE/4 SW/4 Sec. 6, T-26S, R-23E                                           | 119.73          | NM-014459<br>7-31-66                                                | 1/8 - U.S.A.                 | Sun Oil Company                                     | None                                                           | Sun Oil Company 100%                                         |
| 12        | SE/4 SW/4 Sec. 6, T-26S, R-23E                                                       | 40.00           | NM-014459-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp. and Pan American Petroleum Corp.     | None                                                           | Gulf Oil Corp. 50%<br>Pan American Petroleum Corp. 50%       |
| 13        | NE/4 NE/4 Sec. 7, T-26S, R-23E                                                       | 40.00           | NM-014460-A<br>6-30-66                                              | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | Aztec Oil & Gas Co. 2.5%<br>Southern Union Production Co. 2.5% | Pan American Petroleum Corp. 100%                            |
| 14        | NE/4, N/2 SE/4, SE/4 SW/4, N/2 SW/4, SW/4, S/2, NW/4, NE/4 NW/4 Sec. 9, T-26S, R-23E | 520.00          | NM-014462<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | None                                                           | Pan American Petroleum Corp. 100%                            |
| 15        | NW/4 NW/4 Sec. 9, T-26S, R-23E                                                       | 40.00           | NM-014462-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | None                                                           | Gulf Oil Corporation 100%                                    |
| 16        | N/2, SE/4, N/2 SW/4, SE/4 SW/4, T-26S, R-23E                                         | 600.00          | NM-014463<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | None                                                           | Pan American Petroleum Corp. 100%                            |
| 17        | SW/4 SW/4 Sec. 17, T-26S, R-23E                                                      | 40.00           | NM-014463-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | None                                                           | Gulf Oil Corporation 100%                                    |
| 18        | Lots 1, 2, 3, 4, E/2 W/2, NE/4, N/2 SE/4, SW/4 SE/4 Sec. 19, T-26S, R-23E            | 599.32          | NM-014465<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | None                                                           | Pan American Petroleum Corp. 100%                            |
| 19        | SE/4 SE/4 Sec. 19, T-26S, R-23E                                                      | 40.00           | NM-014465-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | None                                                           | Gulf Oil Corporation 100%                                    |
| 20        | W/2, W/2 NE/4, SE/4 NE/4 SE/4 Sec. 20, T-26S, R-23E                                  | 600.00          | NM-014466-2<br>10-31-66                                             | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | Jack A. Roth & Katherine M. Roth<br>2.5%                       | Pan American Petroleum Corp. 100%                            |
| 21        | NE/4 NE/4 Sec. 20, T-26S, R-23E                                                      | 40.00           | NM-014466-2-A<br>10-31-66                                           | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | Jack A. Roth & Katherine M. Roth<br>2.5%                       | Gulf Oil Corporation 100%                                    |
| 22        | N/2, N/2 SW/4, N/2 SE/4 Sec. 24, T-26S, R-23E                                        | 480.00          | NM-014470<br>6-30-66                                                | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | John L. Canavan & Kathryn Canavan<br>3%                        | Gulf Oil Corporation 100%                                    |

## EXHIBIT "B"

MESCAL WASH UNIT - FEDERAL  
EDDY COUNTY, NEW MEXICO

| TRACT NO. | DESCRIPTION OF LAND                                            | NUMBER OF ACRES | APPLICATION OR SERIAL NO. AND EFFECTIVE OR EXPIRATION DATE OF LEASE | BASIC ROYALTY AND PERCENTAGE | LESSEE OF RECORD                   | OVERRIDING ROYALTY AND PERCENTAGE                                                                 | WORKING INTEREST AND PERCENTAGE              |
|-----------|----------------------------------------------------------------|-----------------|---------------------------------------------------------------------|------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------|
| 1         | E/2 NW/4, NE/4 SW/4 Sec. 13, T-26S, R-22E                      | 120.00          | NM-014424<br>9-30-66                                                | 1/8 - U.S.A.                 | Sun Oil Company                    | None                                                                                              | Sun Oil Company 100%                         |
| 2         | SE/4 SW/4 Sec. 13, T-26S, R-22E                                | 40.00           | NM-014424-A<br>9-30-66                                              | 1/8 - U.S.A.                 | Pan American Petroleum Corp.       | None                                                                                              | Pan American Petroleum Corp. 100%            |
| 3         | N/2, SE/4, N/2 SW/4, SE/4 SW/4 Sec. 13, T-26S, R-22E           | 600.00          | NM-014432<br>8-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.       | Robert C. Thomas<br>2.5%                                                                          | Pan American Petroleum Corp. 100%            |
| 4         | SW/4 SW/4 Sec. 26, T-26S, R-22E                                | 40.00           | NM-014432-A<br>8-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                     | Robert C. Thomas<br>2.5%                                                                          | Gulf Oil Corporation 100%                    |
| 5         | W/2, SE/4, W/2 NE/4, SE/4 NE/4 Sec. 35, T-25S, R-23E           | 600.00          | NM-014455<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.       | Mildred W. Stewart &<br>George R. Stewart<br>0.5%<br>Neil F. Stull &<br>Florence C. Stull<br>2.5% | Pan American Petroleum Corp. 100%            |
| 6         | NE/4 NE/4 Sec. 35, T-25S, R-23E                                | 40.00           | NM-014455-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Texaco Inc. &<br>Tidewater Oil Co. | Mildred W. Stewart &<br>George R. Stewart<br>0.5%<br>Neil F. Stull &<br>Florence C. Stull<br>2.5% | Texaco Inc. 50%<br>Tidewater Oil Company 50% |
| 7         | Lots 1 thru 12 & Lots 14 thru 16 Sec. 4, T-26S, R-23E          | 756.70          | NM-014457<br>7-31-66                                                | 1/8 - U.S.A.                 | Gulf Oil Corp.                     | Frank O. Papen &<br>Julia Stevenson Papen,<br>Dan W. Williams<br>3%                               | Gulf Oil Corporation 100%                    |
| 8         | Lot 13 Sec. 4, T-26S, R-23E                                    | 50.54           | NM-014457-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Pan American Petroleum Corp.       | Frank O. Papen &<br>Julia Stevenson Papen,<br>Dan W. Williams<br>3%                               | Pan American Petroleum Corp. 100%            |
| 9         | Lots 1 to 12, Incl. & S/2 SE/4, SE/4 SW/4 Sec. 5, T-26S, R-23E | 714.92          | NM-014458<br>6-30-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.       | L.A. Poole &<br>Lida Kate Poole<br>5%                                                             | Pan American Petroleum Corp. 100%            |

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|-----------|-------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------|------------------------------|-----------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|
| 10        | SW/4 SW/4 Sec. 5, T-26S, R-23E                                                      | 40.00           | NM-014458-A<br>6-30-66                                              | 1/8 - U.S.A.                 | Aztec Oil & Gas Co. & Southern Union Production Co. | L.A. Poole & Lida Kate Poole<br>5%                             | Aztec Oil & Gas Co. 50%<br>Southern Union Production Co. 50% |
| 11        | Lots 3 & 4 NE/4 SW/4 Sec. 6, T-26S, R-23E                                           | 119.73          | NM-014459<br>7-31-66                                                | 1/8 - U.S.A.                 | Sun Oil Company                                     | None                                                           | Sun Oil Company 100%                                         |
| 12        | SE/4 SW/4 Sec. 6, T-26S, R-23E                                                      | 40.00           | NM-014459-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp. and Pan American Petroleum Corp.     | None                                                           | Gulf Oil Corp. 50%<br>Pan American Petroleum Corp. 50%       |
| 13        | NE/4 NE/4 Sec. 7, T-26S, R-23E                                                      | 40.00           | NM-014460-A<br>6-30-66                                              | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | Aztec Oil & Gas Co. 2.5%<br>Southern Union Production Co. 2.5% | Pan American Petroleum Corp. 100%                            |
| 14        | NE/4 N/2 SE/4, SE/4 SE/4, N/2 SW/4, SW/4, S/2, NW/4, NE/4 NW/4 Sec. 9, T-26S, R-23E | 520.00          | NM-014462<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | None                                                           | Pan American Petroleum Corp. 100%                            |
| 15        | NW/4 NW/4 Sec. 9, T-26S, R-23E                                                      | 40.00           | NM-014462-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | None                                                           | Gulf Oil Corporation 100%                                    |
| 16        | N/2 SE/4, N/2 SW/4, SE/4 SW/4 Sec. 17, T-26S, R-23E                                 | 600.00          | NM-014463<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | None                                                           | Pan American Petroleum Corp. 100%                            |
| 17        | SW/4 SW/4 Sec. 17, T-26S, R-23E                                                     | 40.00           | NM-014463-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | None                                                           | Gulf Oil Corporation 100%                                    |
| 18        | Lots 1, 2, 3, 4, E/2 W/2, NE/4, N/2 SE/4, SW/4 SE/4 Sec. 19, T-26S, R-23E           | 599.32          | NM-014465<br>7-31-66                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | None                                                           | Pan American Petroleum Corp. 100%                            |
| 19        | SE/4 SE/4 Sec. 19, T-26S, R-23E                                                     | 40.00           | NM-014465-A<br>7-31-66                                              | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | None                                                           | Gulf Oil Corporation 100%                                    |
| 20        | W/2, W/2 NE/4, SE/4 NE/4, SE/4 Sec. 20, T-26S, R-23E                                | 600.00          | NM-014466-2<br>10-31-66                                             | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                        | Jack A. Roth & Katherine M. Roth<br>2.5%                       | Pan American Petroleum Corp. 100%                            |
| 21        | NE/4 NE/4 Sec. 20, T-26S, R-23E                                                     | 40.00           | NM-014466-2-A<br>10-31-66                                           | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | Jack A. Roth & Katherine M. Roth<br>2.5%                       | Gulf Oil Corporation 100%                                    |
| 22        | N/2, N/2 SW/4, N/2 SE/4 Sec. 24, T-26S, R-23E                                       | 480.00          | NM-014470<br>6-30-66                                                | 1/8 - U.S.A.                 | Gulf Oil Corp.                                      | John L. Canavan & Kathryn Canavan<br>3%                        | Gulf Oil Corporation 100%                                    |

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|-----------|--------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------|------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| 23        | S/2 SE/4 Sec. 24, T-26S, R-23E                                                 | 80.00           | NM-014470-A<br>6-30-66                                              | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                  | John L. Canavan & Kathryn Canavan 3%                                                                  | Pan American Petroleum Corp. 100%                            |
| 24        | S/2 SW/4 Sec. 24, T-26S, R-23E                                                 | 80.00           | NM-014470-B<br>6-30-66                                              | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                  | John L. Canavan & Kathryn Canavan 3%                                                                  | Pan American Petroleum Corp. 100%                            |
| 25        | NE/4 NE/4, S/2 NE/4, SE/4 Sec. 12, & E/2 Sec. 13, T-26S, R-22E                 | 600.00          | NM-014766<br>10-31-66                                               | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                  | Edward C. Donohue & Rubye B. Donohue, Wilma Elliott Donohue 5%                                        | Pan American Petroleum Corp. 100%                            |
| 26        | NW/4 NE/4 Sec. 12, T-26S R-22E                                                 | 40.00           | NM-014766-A<br>10-31-66                                             | 1/8 - U.S.A.                 | Gulf Oil Corp.                                | Until \$500/acre paid on 640 acres.<br>Edward C. Donohue & Rubye B. Donohue, Wilma Elliott Donohue 5% | Gulf Oil Corporation 100%                                    |
| 27        | NE/4, SW/4 Sec. 3; NE/4 Sec. 10, T-26S, R-23E                                  | 569.06          | NM-018232<br>9-30-65                                                | 1/8 - U.S.A.                 | Signal Oil & Gas Co.                          | None                                                                                                  | Signal Oil & Gas Co. 100%                                    |
| 28        | Lots 1, 2, 7, 8, 9, 10, 11, 12, S/2 S/2 Sec. 1, All Sec. 12, T-26S, R-23E      | 1,185.29        | NM-034277<br>10-31-68                                               | 1/8 - U.S.A.                 | Gulf Oil Corp.                                | Edward C. Donohue & Rubye B. Donohue, Wilma Elliott Donohue 5%                                        | Gulf Oil Corporation 100%                                    |
| 29        | SE/4, E/2 SW/4 Sec. 1; E/2 W/2 Sec. 12; & E/2 NE/4, SE/4 Sec. 23, T-26S, R-22E | 640.00          | NM-037567<br>7-31-68                                                | 1/8 - U.S.A.                 | Shell Oil Company                             | Until \$750/acre paid on 1,185.29 acres.<br>C. Sidney Neuhooff & Ula R. Neuhooff 3%                   | Shell Oil Company 100%                                       |
| 30        | N/2 SW/4 Sec. 11; S/2 Sec. 13; SE/4 Sec. 14, T-26S, R-23E                      | 560.00          | NM-039566<br>9-30-68                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp. & Gulf Oil Corp. | Beard Oil Co. 5%                                                                                      | Pan American Petroleum Corp. 75%<br>Gulf Oil Corporation 25% |
| 31        | S/2 SW/4 Sec. 11; N/2 Sec. 13; & NE/4 Sec. 14, T-26S, R-23E                    | 560.00          | NM-039566-A<br>9-30-68                                              | 1/8 - U.S.A.                 | Sun Oil Company                               | None                                                                                                  | Sun Oil Company 100%                                         |
| 32        | All Sec. 23, T-26S, R-23E                                                      | 640.00          | NM-040609<br>1-31-71                                                | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                  | R.M. Young & Adele J. Young 5% until \$500/acre paid.                                                 | Pan American Petroleum Corp. 100%                            |
| 33        | SE/4 Sec. 11, T-26S, R-23E                                                     | 160.00          | NM-045191<br>8-31-69                                                | 1/8 - U.S.A.                 | Steve Helbing                                 | None                                                                                                  | Steve Helbing 100%                                           |
| 34        | W/2 & W/2 NE/4 Sec. 23; & All Sec. 25, T26S, R-22E                             | 1,040.00        | NM-048482<br>10-31-69                                               | 1/8 - U.S.A.                 | Pan American Petroleum Corp.                  | Scope Industries 5%                                                                                   | Pan American Petroleum Corp. 100%                            |

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|-----------|-----------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------|------------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| 35        | All Sec. 24, T-26S, R-22E                                                               | 640.00          | NM-069775<br>1-31-71                                  | 1/8 - U.S.A.                 | Pan American Petroleum Corp.    | A.W. Rutter, Jr. & Virginia S. Rutter<br>5%                                                                                                                        | Pan American Petroleum Corp.<br>100%         |
| 36        | N/2, SE/4, E/2 SW/4 & NW/4 SW/4 Sec. 22, T-26S, R-23E; E/2 & SW/4 Sec. 34, T-25S, R-23E | 1,080.00        | NM-071316<br>3-31-70                                  | 1/8 - U.S.A.                 | Gulf Oil Corp.                  | Edward B. Benjamin, Jr. & Adelaide Wisdom Benjamin, W. Mente Benjamin & Joan Durland Benjamin<br>3%                                                                | Gulf Oil Corporation<br>100%                 |
| 37        | All Sec. 8; All Sec. 18; & All Sec. 21, T-26S, R-23E                                    | 1,940.32        | NM-072780<br>4-30-71                                  | 1/8 - U.S.A.                 | Gulf Oil Corp.                  | Until \$300/acre paid on 1,080.00 acres<br>S. Howard & Bernice M. Howard; H.R. Corder & Mary Allen Jackson Corder<br>3%<br>Until \$300/acre paid on 1,940.32 acres | Gulf Oil Corporation<br>100%                 |
| 38        | NW/4 Sec. 1; SE/4 Sec. 3; & S/2 Sec. 10; T-26S, R-23E                                   | 702.80          | NM-0162557<br>7-31-71                                 | 1/8 - U.S.A.                 | Shell Oil Co.                   | Burke G. Mordy & Dana Mordy<br>3%<br>Until \$750/acre paid on 702.80 acres                                                                                         | Shell Oil Company<br>100%                    |
| 39        | N/2 Sec. 11; W/2 Sec. 14; E/2, E/2 SW/4, SW/4 SW/4 Sec. 15, T-26S, R-23E                | 1,088.80        | NM-0234258<br>2-29-72                                 | 1/8 - U.S.A.                 | Gulf Oil Corp.                  | A.W. Rutter & Dorothy Tripp Rutter<br>3%                                                                                                                           | Gulf Oil Corporation<br>100%                 |
| 40        | NW/4 & NW/4 SW/4 Sec. 15, T-26S, R-23E                                                  | 200.00          | NM-0411920<br>7-31-73                                 | 1/8 - U.S.A.                 | Pan American Petroleum Corp.    | W.H. Brown & Dorothy R. Brown<br>5%                                                                                                                                | Pan American Petroleum Corp.<br>100%         |
| 41        | NW/4 Sec. 3 & NW/4 Sec. 10, T-26S, R-23E                                                | 364.52          | NM-0503055<br>4-30-74                                 | 1/8 - U.S.A.                 | Pan American Petroleum Corp.    | John L.O'Brien & Isabel M.O'Brien<br>5%                                                                                                                            | Pan American Petroleum Corp.<br>100%         |
| 42        | Lots 1, 2, 3, 4, E/2 W/2, SE/4, W/2 NE/4, SE/4 NE/4, Sec. 7, T-26S, R-23E               | 600.48          | NM-0555274                                            | 1/8 - U.S.A.                 | Thomas Allen                    | Thomas Allen & Jerune Allen<br>5%                                                                                                                                  | Gulf Oil Corporation<br>100%                 |
| 43        | SW/4 SE/4, SE/4 SW/4 Sec. 9, T-26S, R-23E                                               | 80.00           | K-3982<br>3-17-74                                     | 1/8 - State of New Mexico    | Pan American Petroleum Corp.    | None                                                                                                                                                               | Pan American Petroleum Corp.<br>100%         |
| 44        | E/2, SW/4, S/2 NW/4, NE/4 NW/4 Sec. 36, T-25S, R-23E                                    | 600.00          | K-4790<br>7-31-66                                     | 1/8 - State of New Mexico    | Texaco Inc. & Tidewater Oil Co. | None                                                                                                                                                               | Texaco Inc. 50%<br>Tidewater Oil Company 50% |
| 45        | NW/4 NW/4 Sec. 36, T-25S, R-23E                                                         | 40.00           | K-4791<br>7-31-66                                     | 1/8 - State of New Mexico    | Pan American Petroleum Corp.    | Tidewater Oil Co. 1.5%<br>Texaco Inc. 1.5%                                                                                                                         | Pan American Petroleum Corp.<br>100%         |

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|-----------|---------------------------------|-----------------|----------------------------------------------------------|---------------------------------------|------------------|-----------------------------------|---------------------------------|
| 46        | All Sec. 2, T-26S, R-23E        | 793.52          | QG-6029<br>10-20-69                                      | 1/8 - State of New Mexico             | Gulf Oil Corp.   | None                              | Gulf Oil Corporation 100%       |
| 47        | All Sec. 16, T-26S, R-23E       | 640.00          | QG-6030<br>10-29-69                                      | 1/8 - State of New Mexico             | Gulf Oil Corp.   | None                              | Gulf Oil Corporation 100%       |
| 48        | E/2 Sec. 6, T-26S, R-23E        | 320.00          | Fee<br>5- 9-70                                           | 1/8 - Arthur J. Mayes & Mary J. Mayes | Gulf Oil Corp.   | None                              | Gulf Oil Corporation 100%       |
| 49        | SW/4 SW/4 Sec. 22, T-26S, R-23E | 40.00           | Fee                                                      | ---                                   | Mary Ussery      | ---                               | Unleased (Uncommitted)          |

RECAPITULATION

|               |             |                 |          |
|---------------|-------------|-----------------|----------|
| FEDERAL LANDS | COMMITTED   | 18,772.48 ACRES | 87.534%  |
|               | UNCOMMITTED | 160.00 ACRES    | 0.746%   |
|               |             | 18,932.48 ACRES | 88.280%  |
| STATE LANDS   | COMMITTED   | 2,153.52 ACRES  | 10.042%  |
| FEE LANDS     | COMMITTED   | 320.00 ACRES    | 1.492%   |
|               | UNCOMMITTED | 40.00 ACRES     | 0.186%   |
|               |             | 360.00 ACRES    | 1.678%   |
| TOTAL LANDS   |             | 21,446.00 ACRES | 100.000% |

STATE OF NEW MEXICO  
County of Eddy

FILED MAY - 6 1965 RECORD

at 2 o'clock P.M. and was duly  
recorded in Book 155 of Records of  
Eddy County, New Mexico, Pages 411  
Geraldine Mahaffey, County Clerk  
Deputy

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CASE No. 3215

Order No. R-2884

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the Mescal Wash Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby 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, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

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

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*Guyton B. Hays*  
GUYTON B. HAYS, Member

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

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. 3215  
Order No. R-2884

APPLICATION OF GULF OIL CORPORATION  
FOR APPROVAL OF THE MESCAL WASH UNIT  
AGREEMENT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 10, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 25th day of March, 1965, the Commission, a quorum being present having considered the testimony, the records, and the recommendations of the Examiner, 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, Gulf Oil Corporation, seeks approval of the Mescal Wash Unit Agreement covering 21,445.78 acres, more or less, of State, Federal and Fee lands described as follows:

EDDY COUNTY, NEW MEXICO

TOWNSHIP 25 SOUTH, RANGE 23 EAST, NMPM

Section 34: E/2 and SW/4

Section 35: All

Section 36: All

TOWNSHIP 26 SOUTH, RANGE 22 EAST, NMPM

Section 1: SE/4 and E/2 SW/4

Section 12: E/2 and E/2 W/2

Section 13: E/2 and E/2 W/2

Sections 23 through 26: All

TOWNSHIP 26 SOUTH, RANGE 23 EAST, NMPM

Sections 1 through 5: All

Section 6: E/2 and SW/4

Sections 7 through 24: All