

BEFORE EXAMINER STOGNER
OIL CONCENTRATION BY WEIGHT

TCO 8482

CASE NO. 8482

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 1st day of November, 1951

by and between L.C. Hannah and Alice E. Hannah (husband and wife)

Carlsbad, New Mexico. Party of the first part, hereinafter called lessor (whether one or more) and

A.N. Etz, Roswell, N. Mex & R.A.T. Wright, Artesia, N. Mex. Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of TWO HUNDRED DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, powers, stations and structures thereon to produce, save and take care of said products, all that certain tract of land situate in the County of EDDY, State of New Mexico, described as follows, to-wit:

The Northeast Quarter of the Southeast Quarter;



of Section 13 Township 24 S. Range 28 E. and containing two acres, more or less.

It is agreed that this lease shall remain in force for a term of two years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

FIRST. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells, the equal of one-eighth (1/8) part of all oil produced and saved from the leased premises.

SECOND. To pay lessor for gas from each well where gas only is found, the equal one-eighth (1/8) of the gross proceeds at the prevailing market rate, for all gas used off the premises, said payments to be made quarterly and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.

THIRD. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas, one-eighth (1/8) of the gross proceeds at the prevailing market rate for the gas during which time such gas shall be used, said payments to be made quarterly.

If no well be commenced on said land on or before the 1st day of November, 1951 this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit

in the Carlsbad National Bank at Carlsbad, New Mexico or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets, or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of

200.00 DOLLARS,

which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be a dry hole or cease to produce, then and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as before provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force as though there had been no interruption in the rental payments.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in proportion which his interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells of lessor.

When requested by the lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its operations to growing crops on said lands.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein, first mentioned.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof. In the event of the death of lessor or his successor in title, any rental payment which may be made hereunder shall be deposited in the depository bank to the credit of the estate of such deceased lessor or his successor in title until lessee shall have been furnished with certified copies of all muniments of title deraining title from such deceased lessor or successor in title to the person succeeding to such interest. And it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligation hereunder.

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, revision or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment, any mortgage, taxes or other liens on the above described lands in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

Lessee agrees to commence a well for oil before Feb. 1, 1952 on the R.L.D. land in Sec. 13 Twp. 24 S. R. 28 E. with adequate machinery and drill core with due diligence to the Delaware sand found at 2750 feet. OTHERWISE this lease shall become CANCELLED and returned to LESSOR by Feb. 1, 1952

In TESTIMONY WHEREOF, we sign the day and year first above written.

A.N. Etz (SEAL)

L.C. Hannah (SEAL)

R.A.T. Wright (SEAL)

Alice E. Hannah (SEAL)

GIL CO. (SEAL)

(SEAL)

TCO (SEAL)

(SEAL)

CASE NO. 8482

TOC# 100349

INDEXED 2851 COMPARED

OIL AND GAS LEASE

FROM

TO

Date 19

Section Township Range

Lot Block Addition County, New Mexico

No. of Acres Term

STATE OF NEW MEXICO

County of Eddy 1st

This instrument was filed for record on the 5th day

of the month of January, 1932

at 1:30 o'clock and duly recorded

in book 444 page 7 of the

records of this office.

W. C. Reed
County Clerk - Register of Deeds

By E. J. ...
Deputy

Record and Mail 107

Burkhardt Printing & Stationery Co., Tulsa, Okla.

STATE OF NEW MEXICO,
County of ...

ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK

On this 6th day of November, 1931, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared ...

and in the presence of ... as witnesses, and acknowledged to me that ... executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.
My commission expires ... Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write the name of the lessor in the margin near such mark.

STATE OF NEW MEXICO,
County of ...

(Acknowledgment for Corporation)

On this 19th day of ... before me personally appeared ...

to me personally known, who being by me duly sworn did say that he is the president of ... and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said ... to be the free act and deed of said corporation.

Witness my hand and official seal the day and year last above written.
My commission expires ... Notary Public

STATE OF NEW MEXICO,
County of ...

(Acknowledgment for Individual)

On this 19th day of ... before me personally appeared ...

to me known to be the person described in and who executed the foregoing instrument, and acknowledged that ... free act and deed.

Witness my hand and official seal the day and year last above written.
My commission expires ... Notary Public

STATE OF NEW MEXICO,
County of ...

(Acknowledgment for Individual)

On this 6th day of November, 1931, before me personally appeared ...

to me known to be the person described in and who executed the foregoing instrument, and acknowledged that ... free act and deed.

Witness my hand and official seal the day and year last above written.
My commission expires 3 8 55 ... Notary Public

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 21 st. day of November, 19 51.

by and between Guillermo Ruiz and FLORENZA RUIZ
Malaga, New Mexico. Party of the first part, hereinafter called lessor (whether one or more) and
A.N. Etz & R.A.T. Wright Artesia, New Mexico. Party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of TWENTY FIVE DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situate in the County of EDDY State of New Mexico, described as follows, to-wit:

Lot 784 (N $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$)

of Section 13 Township 24 S. Range 28 E. and containing FIVE acres, more or less.

It is agreed that this lease shall remain in force for a term of ten years from date, and as long thereafter as oil or gas, or either of them is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

- First. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells, the equal of one eighth ($\frac{1}{8}$) part of all oil produced and saved from the leased premises.
- Second. To pay lessor for gas from each well where gas only is found the equal one-eighth ($\frac{1}{8}$) of the gross proceeds at the prevailing market rate, for all gas used off the premises, said payments to be made quarterly and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.
- Third. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas, one eighth ($\frac{1}{8}$) of the gross proceeds at the prevailing market rate for the gas during which time such gas shall be used, said payments to be made quarterly.

40 a unit If no well be commenced on said 40 on or before the 21 st. day of November, 19 52 this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit

in the by Registered U.S. Mail Bank at _____ the sum of FIVE DOLLARS

which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be a dry hole or cease to produce, then and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as before provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force as though there had been no interruption in the rental payments.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in proportion which his interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells of lessor. When requested by the lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its operations to growing crops on said lands.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein, first mentioned.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof. In the event of the death of lessor or his successor in title, any rental payment which may be made hereunder shall be deposited in the depository bank to the credit of the estate of such deceased lessor or his successor in title until lessee shall have been furnished with certified copies of all muniments of title derailing title from such deceased lessor or successor in title to the person succeeding to such interest. And it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligation hereunder.

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees supporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, revision or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment, any mortgage, taxes or other liens on the above described lands in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

That Lessee can comply with State regulations, Lessors agrees above 5 acres can be unitized to be a part of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ S. 13, regardless of where wells are drilled on said 40 acre unit Lessors will accept 5/40 ths. of the 1/8 th. royalty of all oil produced from the 40 acre unit.

Guillermo Ruiz (Seal)
Florenza Ruiz (Seal)
John Ruiz (son) (Seal)
Florenza Ruiz (Seal)

ILLEGIBLE

ACKNOWLEDGMENT TO THE LEASE

STATE OF NEW MEXICO,

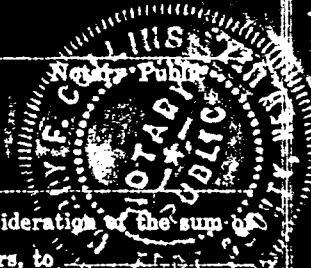
County of Eddy } ss.

On this the 1st day of Feb., 1957, before me personally appeared

Guillermo Ruiz and Flora Ruiz Husband & Wife
to me personally known to be the person described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year in this certificate first above written.

My Commission expires 10-5-1958 Henry J. Collins



ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

That _____ of _____ State of _____ the within named grant _____ in consideration of the sum of _____ Dollars, to _____ in hand paid, the receipt whereof is hereby acknowledged, do _____ hereby sell, assign, transfer, set over and convey unto _____ heirs and assigns the within grant.

TO HAVE AND TO HOLD THE SAME FOREVER, Subject nevertheless, to the conditions therein contained.

IN WITNESS WHEREOF, The said grant _____ has _____ hereunto set _____ hand _____, this _____ day of _____, 19 _____

ACKNOWLEDGMENT TO THE ASSIGNMENT

STATE OF NEW MEXICO,

County of _____ } ss.

On this the _____ day of _____, 19 _____, before me personally appeared

to me personally known to be the person _____ described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year in this certificate first above written.

My Commission expires _____ Notary Public

INDEXED 383/COMPARED

Form 86 (Producer's Record) (New Mexico) OIL AND GAS LEASE FROM TO Date Section, Township, Range No. of Acres Term County, New Mexico.

STATE OF NEW MEXICO, County of Eddy } ss. I hereby certify that this instrument was filed for record on the 5th day of February, A. D., 1957 at 11:30 a.m. and was duly recorded in Book 44 at Page 24 of the Records of said County. By Vera Brockman County Clerk Deputy

Printed and for sale by Hall-Poorbaugh Press Roswell, New Mexico FORM 86

ILLEGIBLE

STATE OF _____ } ss. COUNTY OF _____

On this _____ day of _____, A. D., One Thousand Nine Hundred and _____ before me personally appeared _____

to me personally known who being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year last above written.

My Commission expires _____ Notary Public

BEFORE EXAMINATION OF POWER
OIL CONSERVATION DISTRICT

TCO EXHIBIT NO. 3

CASE NO. 8482

Tenneco Oil
Exploration and Production
A Tenneco Company

7990 IH 10 West
San Antonio, Texas 78230
(512) 366-8000



Southwestern Division

November 15, 1984

Elmer L. Skinner *et al*
1312 Lera Circle
Carlsbad, New Mexico 88220

RE: Amendment to Oil and Gas Lease
E/2 Sec. 13, T24S-R28E
Eddy County, New Mexico
Malaga Area

Dear Mr. Skinner:

Tenneco Oil Company is proposing to drill a 13,300' Atoka-Morrow well to be located in the E/2 of Section 13, T24S-R28E. The governmental spacing regulations for this well call for a 320-acre proration unit.

The oil and gas lease to which your interest is subject does not provide for pooling in order to form a 320-acre unit. In order for Tenneco to drill the above described well it is necessary for the oil and gas lease to be amended to provide for this.

Enclosed in duplicate please find an "Amendment to Oil and Gas Lease" which provides for pooling of your lease with other land, lease or leases in order to properly develop and operate the leased premises in compliance with the Spacing Rules of the Oil Conservation Division or other lawful authorities.

Please execute both copies of the Amendment and have them properly notarized and return one fully executed copy to the undersigned. The other copy is for your files.

Your prompt attention to this matter would be greatly appreciated as Tenneco hopes to spud this well by the end of the year.

Very truly yours,

TENNECO OIL COMPANY

Kelly S. Lancaster

Kelly S. Lancaster
Petroleum Landman

KSL/jm
Enclosures
3798A

BEFORE EXAMINATION	NOV 15 1984
CIL CLERK	TCO 4
CASE NO.	8482

AMENDMENT TO OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 16th day of November, 1984 by and between ANNIE LORENE ROBERTS HUNT whose mailing address is

704 Fourth Street, League City, Texas 77573

as Lessor, and TENNECO OIL COMPANY whose mailing address is 7990 I.H. 10 West, San Antonio, Texas 78230 and DEPCO, INC. whose mailing address is 1000 Petroleum Building, 110 16th Street, Denver Colorado, 80202, as Lessee.

W I T N E S S E T H, T H A T:

WHEREAS, under the date of November 1, 1951, that certain Oil and Gas Lease was made and entered into by and between L. C. Hannah and Alice E. Hannah, husband and wife, as Lessor, and A. N. Etz and R. A. T. Wright, as Lessee, which Lease is recorded in Volume 44, page 14 of the Records of Eddy County, New Mexico; and,

WHEREAS, the above-described Lease is hereinafter referred to as "Said Lease"; and,

WHEREAS, the undersigned party is a current Lessor under "Said Lease"; and,

WHEREAS, the parties hereto desire to amend "Said Lease" as hereinafter provided.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable considerations in hand paid by Lessee to Lessors, the receipt and sufficiency of which are hereby acknowledged and confessed by Lessor, the parties hereto do hereby covenant, contract and agree as follows:

I.

There shall be added to "Said Lease" the following provision:

"Lessee, at its option, is hereby given the right and power to voluntarily pool or combine the acreage covered by this Lease, or any portion thereof, as to the oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order to properly develop and operate the leased premises in compliance with the Spacing Rules of the Oil Conservation Division, or other lawful authorities, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed 320 acres each in area plus a tolerance of ten percent thereof in the case of either an oil unit or a gas unit, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this Lease, or any portion thereof as above provided for as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the Lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of Lessee hereunder to pool this Lease, or portions thereof, into other units. Lessee shall file for record in the county records of the county in which the lands are located an instrument identifying and describing the pooled acreage. Lessee may at its election exercise its pooling operation after commencing operations for, or completing an oil or gas well on the leased premises, and the pooled unit may include, but is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations for drilling of a well for oil or gas have theretofore been commenced. Operations for drilling on or production of oil or gas from any part of the pooled unit composed in whole or in part of the land covered by this Lease, regardless of whether such

operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling on or production of oil or gas from the land covered by this Lease whether or not the well or wells are actually located on the premises covered by this Lease, and the entire acreage constituting such unit or units, as to oil and gas or either of them as herein provided, shall be treated for all purposes except the payment of royalties on production from the pooled unit as if the same were included in this Lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled upon production of oil and gas, or either of them from the pooled unit, there shall be allocated to the land covered by this Lease and included in said unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis, that is to say, there shall be allocated to the acreage covered by this Lease and included in the pooled unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this Lease and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil or gas or either of them, so allocated to the land covered by this Lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the Lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the Lease or gas pooled unit from which it is producing and not from the oil pooled unit."

II.

Except as hereby amended, Said Lease shall remain otherwise unchanged in all of its terms, provisions and conditions.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

ANNIE LORENE ROBERTS HUNT

TENNECO OIL COMPANY

By: _____
H. J. Briscoe, Jr.
Attorney-in-Fact

ATTEST:

DEPCO, INC.

By: _____

Secretary

THE STATE OF TEXAS
COUNTY OF _____

This instrument was acknowledged before me on _____,
1984, by _____.

Notary Public, State of Texas

My commission expires:

THE STATE OF TEXAS
COUNTY OF BEXAR

This instrument was acknowledged before me on _____,
1984 by H. J. Briscoe, Jr., as Attorney-in-Fact on behalf of Tenneco Oil
Company, a Delaware corporation.

Notary Public, State of Texas

My commission expires:

THE STATE OF TEXAS
COUNTY OF _____

This instrument was acknowledged before me on _____,
1984 by _____,
of _____ a _____ corporation,
on behalf of said corporation.

Notary Public, State of Texas

My commission expires:

3377L

Nov. 23, 1984

Dear Mr. K.

You send me the papers to sign, but you did not send me the \$1000.

5 acres by or section 13, 24-28 at Okaloosa Town site another beautiful gas well?

Back way in 1981 you involve in another section

14-24-28

You did not pay—

Pay and I deal finally—

LITTONS ELECTRONIC CHITANA	
OIL COMPANY	
TCO	5
CASE NO.	8482

I want work with gas

John P. King

TOC - SWD

NOV 30 1984

LAND DEPARTMENT

Tenneco Oil
Exploration and Production
A Tenneco Company

7990 IH 10 West
San Antonio, Texas 78230
(512) 366-8000



Southwestern Division
December 3, 1984

John P. Ruiz
General Delivery
Malaga, New Mexico 88263

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 14 1984	
FBI - MALAGA	
TCO	6
CASE NO.	8482

RE: Amendment to Oil and Gas Lease
E/2 Section 13, T24S-R28E,
Eddy County, New Mexico
Malaga Area

Dear Mr. Ruiz:

In response to your letter of November 23, 1984, let me explain that Tenneco Oil Company does not own the shallow rights on the above described acreage, therefore the gas well on this acreage is not operated by Tenneco Oil Company. According to our records, Austin Gas Purchasing, Inc. in Salina, Kansas operates the gas well on the E/2 of Section 13 and they are responsible for paying you your portion of the production from that well.

Likewise, Tenneco does not operate any wells in Section 14, T24S-R28E. You must determine who operates these wells and contact them concerning why you have not received any money.

Tenneco Oil Company wants to drill a deep well (13,300') on the E/2 of Section 13, however to do so the Oil Conservation Division requires that this well be drilled on a 320-acre proration unit. The oil and gas lease which your mother and father executed back in 1951 does not provide for pooling. Tenneco Oil Company needs you and your brothers and sisters to execute an amendment to the oil and gas lease so we can drill this well. If you do not sign the amendment, Tenneco will not be able to drill this well and you and your brothers and sisters will not get any money from the production of the well.

It is not customary to pay money for amendments to oil and gas leases. The oil and gas lease which your mother and father executed back in 1951 has been held-by-production for years. We cannot lease this acreage again because it is held-by-production. The benefit you will receive from signing the amendment is the money you will receive from the production of the well.

I'm sure you can now see that it is definitely in your best interest to sign the amendment which I sent you. Please execute the amendment and have it properly notarized and return to me as soon as possible.

Time is running out! We want to spud this well by the end of the year.

Tenneco Oil

John P. Ruiz
Amendment to Oil & Gas Lease

-2-

December 3, 1984

I also ask that you furnish me the following peoples current address so I can be sure they have received an amendment:

Esmera R. Carrasco
Anastacia R. Blanco
Bill C. Ruiz
Marca R. Hernandez

Thank you. If you have any questions please do not hesitate to contact us.

Very truly yours,

TENNECO OIL COMPANY

Kelly S. Lancaster

Kelly S. Lancaster
Petroleum Landman

KL/dc/3902A

*Referenced
no comment*

BEGINNING/ENDING PRODUCTION	LEASE & OI INTEREST	OVERPAYMENT	TAX	NET VALUE	INTEREST	PAYEE NET
5767 JUAN C. RUIZ						
NET FIGURES	31-01-20-11-02 .00024414	67,127.77- 16.39-	52.45- .01-	67,075.32- 16.38-	19,485.81- 4.76-	21.14- 21.14-
TOTAL PAYEE NET		16.39-	.01-	16.38-	4.76-	21.14-

THE ABOVE INFORMATION HAS BEEN INCLUDED IN THE CURRENT MONTH DETAIL

5 Area on
Soc, 35 Temp 23E Rgr 28

SAHJH. Oil Company
P.O. Box 2267
Midland Texas 79702

Dear Mr. James: Please - what store -
A Tomasco Company - this please John F. ...
Natural Gas) will be - this please John F. ...
209-6380035

OVER

Tco	7
CASE NO.	8482

TOC-5711
 DEC 7 1984
 LAND DEPARTMENT

Mr. Turner Gil
 Hope you are good luck, and wish you

hit that gold.

on
 7 1/2 Miles S.E.S.E. of tract 784
 page 28c
 seen 13 top 24's

John R. ...
 765 N. Columbia Ave
 Bradley Co 93651

if you see
 (Roll)
 (Rock & ...)

TOC-5711
 DEC 7 1984
 LAND DEPARTMENT

Tenneco Oil
Exploration and Production
A Tenneco Company

7990 IH 10 West
San Antonio, Texas 78230
(512) 366-8000



Southwestern Division

December 17, 1984

Juan G. Ruiz
Bill C. Ruiz
765 N. Columbus
Reedley, California 93654

RE: Amendment to Oil and Gas Lease
E/2 Sec. 13, T24S-R28E
Eddy County, New Mexico
Malaga Area

Gentlemen:

Enclosed is an Amendment to Oil and Gas Lease which you must sign in order for Tenneco to drill you a gas well on the above described acreage. If you do not sign the Amendment and have it properly notarized, we cannot drill you a well.

Please sign and return immediately.

Very truly yours,

TENNECO OIL COMPANY

A handwritten signature in cursive script that reads "Kelly S. Lancaster".

Kelly S. Lancaster
Petroleum Landman

KSL/jm
Enclosures
3950A

DATE	
TIME	
BY	
TCO	8
CASE NO.	8482

Form 3811, July 1982

Tenneco - 2/13/85

RETURN #

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 2. RESTRICTED DELIVERY.....
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. ARTICLE ADDRESSED TO:
 Bill C. Ruiz & Juan G. Ruiz
 765 N. Columbus
 Reedley, California

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED
 CERTIFIED COD P612378829
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
Bill C. Ruiz

5. DATE OF DELIVERY: POSTMARK (may be on reverse side)
 1-26-85 1985
 02
 REEDLEY, CA

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

GPO: 1982-379-593

BEFORE EXAMINER STOGNER
 OIL CONSERVATION DIVISION
 TCO EXHIBIT NO. 9
 CASE NO. 8482

PS Form 3811, July 1982

Tenneco 2/13/85

RETURN RECEIPT

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 Show to whom, date, and address of delivery ..
 2. RESTRICTED DELIVERY.....
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. ARTICLE ADDRESSED TO:
 Bill C. Ruiz
 765 N. Columbus
 Reedley, California

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED
 CERTIFIED COD P612379012
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
John Ruiz

5. DATE OF DELIVERY: POSTMARK (may be on reverse side)
 1-25-85 1985

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

GPO: 1982-379-593

PS Form 3811, July 1982

Tenneco 2/13/85 RETURN RECEIPT

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

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 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 2. RESTRICTED DELIVERY.....
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. ARTICLE ADDRESSED TO:
 Juan G. Ruiz
 765 N. Columbus
 Reedley, California

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED
 CERTIFIED COD P612379013
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
John Ruiz

5. DATE OF DELIVERY: POSTMARK (may be on reverse side)
 1-25-85 1985

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

GPO: 1982-379-593

Form 3811, July 1982

Tenneco 2/13/85

RETURN RECEIPT

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 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Esmera R. Carrasco
 P. O. Box 111
 Malaga, New Mexico 88263

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD P612378831
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 1-24-85 (may be on reverse side)
 24 1985
 USPO

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**
 R K

GPO: 1982-379-593

Form 3811, July 1982

Tenneco 2/13/85

RETURN RECEIPT

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(CONSULT POSTMASTER FOR FEES)

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 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:** Esmera R. Carrasco
 c/o Harvey C. Ruiz
 P. O. Box 111
 Malaga, New Mexico 88263

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD P612379017
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 1-25-85 (may be on reverse side)
 JAN 25 1985

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**
 R K

GPO: 1982-379-593

Form 3811, July 1982

Tenneco 2/13/85

RETURN RECEIPT

• **SENDER:** Complete Items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Anastacia R. Blanco
 610 Olive Avenue, Apt. 5
 San Francisco, CA 94080

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD P612379016
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 Mrs. Frank Blanco (may be on reverse side)

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**

GPO: 1982-379-593

Form 3811, July 1982

Tenneco 2/13/85

RETURN RECEIPT

• **SENDER:** Complete Items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

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 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Anastacia R. Blanco
 10 Olive Avenue, Apt. 5
 San Francisco, CA 94080

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD P612378830
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 Mrs. Frank Blanco (may be on reverse side)

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**

GPO: 1982-379-593

PS Form 3811, July 1982
Tenneco - 2/13/85
RETURN RECEIPT

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Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Maria R. Hernandez
 P. O. Box 1
 Tularosa, New Mexico 88352

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 P612378828

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent
Maria R. Hernandez

5. **DATE OF DELIVERY** **POSTMARK**
(may be on reverse side)

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** **7a. EMPLOYEE'S INITIALS**

★ GPO: 1982-379-593

PS Form 3811, July 1982
Tenneco - 2/13/85
RETURN RECEIPT

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(CONSULT POSTMASTER FOR FEES)

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TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Maria R. Hernandez
 P. O. Box 1
 Tularosa, New Mexico 88352

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 P612379014

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent
Maria R. Hernandez

5. **DATE OF DELIVERY** **POSTMARK**
(may be on reverse side)
 31 1985

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** **7a. EMPLOYEE'S INITIALS**

★ GPO: 1982-379-593

PS Form 3811, July 1982
Tenneco - 2/13/85
RETURN RECEIPT

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Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

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 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Annie Loren Robinson Hunt
 704 Fourth Street
 League City, Texas 77573

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 P612379015

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent
Annie Loren Robinson Hunt

5. **DATE OF DELIVERY** **POSTMARK**
(may be on reverse side)

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** **7a. EMPLOYEE'S INITIALS**

PS Form 3811, July 1982
Tenneco - 2/13/85
RETURN RECEIPT

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 Show to whom, date, and address of delivery ..
 2. **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 1.55

3. **ARTICLE ADDRESSED TO:**
 Annie Loren Robinson Hunt
 704 Fourth Street
 League City, Texas 77573

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 P612378832

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent
Annie Loren Robinson Hunt

5. **DATE OF DELIVERY** **POSTMARK**
(may be on reverse side)
 25 1985

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:** **7a. EMPLOYEE'S INITIALS**