

EXHIBIT "B"

SCHEDULE

TRACT NO. 1-A (2,360.80 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: NM 0503

Participating Acreage: 480

Percent of Participation: 18.⁷⁶⁰~~670~~

Description: N 1/2 and SW 1/4 Section 12, T25S, R31E, N.M.P.M.

TRACT NO. 17-A (1720.00 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061862

Participating Acreage: 800

Percent of Participation: 31.267

Description: SE 1/4 Section 12 and All of Section 13, T25S, R31E, N.M.P.M.

TRACT NO. 18-B (1882.6~~0~~⁵ acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061863 A

Participating Acreage: 320.1~~45~~⁵

Percent of Participation: 12.512

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 7, T25S,
R32E, N.M.P.M.

TRACT NO. 20-B (319.73 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873

Participating Acreage: 319.73

Percent of Participation: 12.496

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4 Section 7, T25S,
R32E, N.M.P.M.

Exhibit "B", Contd.

TRACT NO. 20-A(319.45 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873-A

Participating Acreage: 319.45

Percent of Participation: 12.485

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 18, T25S,
R32E.

TRACT NO. 20-C (1759.31 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873-B

Participating Acreage: 319.31

Percent of Participation: 12.480

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4, Section 18, T25S,
R32E, N.M.P.M.

SUMMARY

| | <u>Acres</u> | <u>Percent</u> |
|--------------------------|---------------------|----------------|
| Total Federal Lands | 2558.6 8 | 100.00 |
| Other lands | ---- | ---- |
| Sub-total | 2558.6 8 | 100.00 |
| Uncommitted acreage | ---- | ---- |
| Total Productive Acreage | 2558.6 8 | 100.00 |

REVISED

EXHIBIT "B"

SCHEDULE

TRACT NO. 1-A (2,360.80 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: NM 0503

Participating Acreage: 480

Percent of Participation: 18.75996

Description: N 1/2 and SW 1/4 Section 12, T25S, R31E, N.M.P.M.

TRACT NO. 17-A (1720.00 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061862

Participating Acreage: 800

Percent of Participation: 31.26661

Description: SE 1/4 Section 12 and All of Section 13, T25S, R31E, N.M.P.M.

TRACT NO. 18-B (1882.61 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061863 A

Participating Acreage: 320.15

Percent of Participation: 12.51251

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 7, T25S,
R32E, N.M.P.M.

TRACT NO. 20-B (319.73 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873

Participating Acreage: 319.73

Percent of Participation: 12.49609

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4 Section 7, T25S,
R32E, N.M.P.M.

Exhibit "B", Contd.

TRACT NO. 20-A (319.45 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873-A

Participating Acreage: 319.45

Percent of Participation: 12.48515

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 18, T25S, R32E.

TRACT NO. 20-C (1759.31 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873-B

Participating Acreage: 319.31

Percent of Participation: 12.47968

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4, Section 18, T25S,
R32E, N.M.P.M.

SUMMARY

| | <u>Acres</u> | <u>Percent</u> |
|--------------------------|----------------|----------------|
| Total Federal Lands | 2558.64 | 100.00 |
| Other lands | ---- | ---- |
| Sub-total | <u>2558.64</u> | <u>100.00</u> |
| Uncommitted acreage | ---- | ---- |
| Total Productive Acreage | <u>2558.64</u> | <u>100.00</u> |

UNITED STATES GEOLOGICAL SURVEY

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IN RE: Cotton Draw Unit Area
No. 14-08-001-5247,
Lea and Eddy Counties,
New Mexico

Application for
approval of initial
participating area
for the Devonian
formation.

TO THE DIRECTOR, UNITED STATES GEOLOGICAL SURVEY
TO THE COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Texaco Inc., as Unit Operator for the Cotton Draw Unit Agreement, approved by the Acting Director, United States Geological Survey, effective July 28, 1958, pursuant to the provisions of Section 11 thereof, respectfully submits for the approval of the Director, United States Geological Survey and the Commissioner of Public Lands, State of New Mexico the selection of the following described lands to constitute the initial participating area for the Devonian producing zone or formation, to wit:

Township 25 South, Range 31 East, N.M.P.M.

Section 12: All

Section 13: All

Township 25 South, Range 32 East, N.M.P.M.

Section 7 : All

Section 18: All

containing 2,558.6⁴ acres, more or less.

In support of this application, the following items are attached hereto and made a part hereof:

- (1) An ownership map, marked Exhibit "A", showing boundaries of the unit area and the proposed initial participating area,
- (2) A Schedule, marked Exhibit "B", showing the lands entitled to participation in the unitized substances produced from the Devonian formation, with the percentage of participation of each lease or tract indicated thereon.

Applicant is submitting separately in triplicate to the Director and in duplicate to the Commissioner, geological report with accompanying geologic map and mechanical logs supporting and justifying the proposed selection of the participating area.

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the

terms of the Unit Agreement on May 19, 1966 of Unit Well No. 64, in the Northeast Quarter of the Northwest Quarter of Section 18, Township 25 South, Range 32 East, Lea County, New Mexico, with a calculated open flow potential of 92 MMCFGPD from the Devonian formation at a depth of 16,490 to 16,537 feet. The effective date of this initial Devonian participating area shall be May 19, 1966, pursuant to Section 11 of the Unit Agreement.

This application has been approved by both Texaco Inc. and Pauley Petroleum Inc., and consequently, applicant respectfully requests that the Director and the Commissioner approve the hereinabove selection of lands to constitute the initial Devonian participating area, to be effective May 19, 1966.

Dated this 24th day of June, 1966.

TEXACO Inc.

By J.H. Markley
J.H. Markley
Attorney-in-Fact

APPROVED: _____ 1966

Director, United States Geological Survey

APPROVED: _____ 1966

Commissioner of Public Lands, State of New Mexico

cc: New Mexico Oil Conservation Commission
Santa Fe, New Mexico