

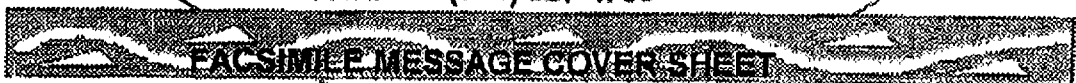
Case 12911

**NEW MEXICO STATE LAND OFFICE
OIL, GAS AND MINERALS DIVISION**

**RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS**

**310 OLD SANTA FE TRAIL
POST OFFICE BOX 1148
SANTA FE, NEW MEXICO
87504**

**PHONE: (505) 827-5744
FAX: (505) 827-4739**



DATE: August 29, 2002

TO: Mike Stogner

FIRM: ocd

FAX NUMBER: 476. 3471

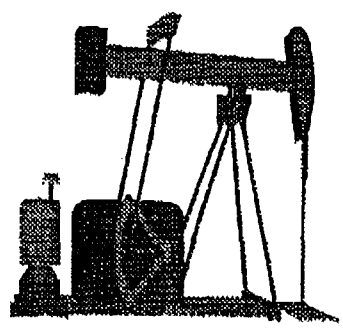
FROM: Pete Martony

SUBJECT/MESSAGE: Ratifications to West Echols
Exploratory State Unit
100% committed

NUMBER OF PAGES THIS TRANSMISSION INCLUDING THIS COVER

6

IF YOU DO NOT RECEIVE ALL OF THIS TRANSMISSION
PLEASE CALL:



UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
West Echols State Exploratory Unit
LEA COUNTY, NEW MEXICO
NO. _____

THIS AGREEMENT, entered into as of the 22nd day of July, 2002, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as the "parties hereto";

WITNESSETH:

WHEREAS, the parties hereto are the owners of working, royalty, or other oil or gas interests in the unit area subject to this agreement; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec 3, Chap. 88, Laws 1943) as amended by Sec. 1 of Chapter 162, Laws of 1951, (Chap. 19, Art. 10, Sec. 45, N. M. Statutes 1978 Annot.), to consent to and approve the development or operation of State Lands under agreements made by lessees of State Land jointly or severally with other lessees where such agreements provide for the unit operation or development of part of or all of any oil or gas pool, field, or area; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 1, Chap. 162), (Laws of 1951, Chap. 19, Art. 10, Sec. 47, N. M. Statutes 1978 Annotated) to amend with the approval of lessee, evidenced by the lessee's execution of such agreement or otherwise, any oil and gas lease embracing State Lands so that the length of the term of said lease may coincide with the term of such agreements for the unit operation and development of part or all of any oil or gas pool, field, or area; and

WHEREAS, the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico (hereinafter referred to as the "Division"), is authorized by an Act of the Legislature (Chap. 72, Laws 1935, as amended, being Section 70-2-1 et seq. New Mexico Statutes Annotated, 1978 Compilation) to approve this agreement and the conservation provisions hereof; and



CONTOUR ENERGY CO.

August 29, 2002

Pete Martinez
New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501-2708

Re: 6th Year Rental Payments
State of NM Leases: VO5142, VA 1657, VA 1675, VA 1676,
VO5163, VO 5164, VO 5165
Lea County, New Mexico

Dear Mr. Martinez:

Enclosed is a Ratification of Unit Agreement for West Echols State Unit #1. Please commit the above referenced Lands to said Unit Agreement.

Thank you.

CONTOUR ENERGY COMPANY

Debra Fanning
Lease Records

IN WITNESS WHEREOF, the undersigned parties hereto have caused this agreement to be executed as of the respective dates set forth opposite their signatures.

WORKING INTEREST OWNER

Contour Energy E&P, LLC

Date 08/29/02

[Signature]

Pogo Producing Company

Date _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this 29th day of August, 2002 by Dennis Ritter as Attorney-in-Fact of Contour Energy E&P, LLC, a Delaware limited liability company corporation, on behalf of said corporation LLC.

My commission expires: 2/13/2006



[Signature]
Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2002 by _____ as _____ of Pogo Producing Company, a _____ company on behalf of said company

My commission expires: _____

Notary Public

IN WITNESS WHEREOF, the undersigned parties hereto have caused this agreement to be executed as of the respective dates set forth opposite their signatures.

WORKING INTEREST OWNER

Contour Energy E&P, LLC

Date _____

Pogo Producing Company

Date 8/27/2002

Jerry A. Cooper
Jerry A. Cooper, Executive Vice President

TG
Adm

STATE OF _____
COUNTY OF _____

§
§
§

The foregoing instrument was acknowledged before me this _____ day of _____, 2002 by _____ as _____ of Contour Energy E&P, LLC, a _____ corporation, on behalf of said corporation.

My commission expires: _____
Notary Public

STATE OF _____
COUNTY OF _____

§
§
§

The foregoing instrument was acknowledged before me this 27th day of August, 2002 by Jerry A. Cooper as Executive Vice President of Pogo Producing Company, a Delaware corporation on behalf of said company corporation.

My commission expires: _____
Notary Public



23. COUNTERPARTS: This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument in writing specifically referring hereto, and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described unit area.

IN WITNESS WHEREOF, the undersigned parties hereto have caused this agreement to be executed as of the respective dates set forth opposite their signatures.

UNIT OPERATOR AND WORKING INTEREST OWNERS

YATES PETROLEUM CORPORATION
YATES DRILLING COMPANY
ABO PETROLEUM CORPORATION
MYCO INDUSTRIES, INC.

Date 7-25-02

Randy G. Patterson *RS*
Attorney-in-Fact

STATE OF NEW MEXICO §
 §
COUNTY OF EDDY §

The foregoing instrument was acknowledged before me this 25th day of July, 2002 by Randy G. Patterson, Attorney-in-Fact for YATES PETROLEUM CORPORATION, YATES DRILLING COMPANY, ABO PETROLEUM CORPORATION and MYCO INDUSTRIES, INC., all New Mexico corporations, on behalf of said corporations.

My commission expires:
1-8-2004

Barbara Nelson
Notary Public