8. **TE & K (LC 061465(b))**. The entire interest in the operating rights under Operating Agreement dated June 8, 1961, by Southern Union Production Company to Southern Union Gas Company, assigned by Southern Union Gas Company to Leonard Latch by Assignment of Operating Agreement dated August 2, 1972, effective July 1, 1972, recorded Book 88, Page 328, Miscellaneous Records, covering United States Oil and Gas Lease LC 061465(b), insofar as the operating agreement and lease cover all formations lying between the surface of the earth and 1,100 feet above sea level, underlying the following lands in Eddy County, New Mexico:

Township 17 South, Range 28 East, N.M.P.M.

Section 3: S/2 SW/4, SW/4 SE/4
Section 10: NW/4 NW/4

containing 160 acres, more or less.

Latch Working Interest: 100%
Latch Net Revenue Interest (expressed as a percentage of 8/8ths): 75%

9. **TE & K (LC 028053(a))**. The entire interest in the natural gas operating rights under Assignment of Operating Rights dated August 2, 1972, effective July 1, 1972, recorded Book 88, Page 316, Miscellaneous Records, by Southern Union Gas Company to Leonard Latch, covering United States Oil and Gas Lease LC 028053(a), insofar as the operating agreement and lease cover the natural gas rights in the interval between 900 feet and 1,550 feet below the surface, underlying the following lands in Eddy County, New Mexico:

Township 17 South, Range 28 East, N.M.P.M.

Section 10: NW/4 SW/4

containing 40 acres, more or less.

Latch Working Interest: 100%
Latch Net Revenue Interest (expressed as a percentage of 8/8ths): 75%

B. **State Leases.**

10. **Spurck State**. The entire interest in operating rights under Operating Agreement dated October 15, 1953, recorded Book 58, Page 313, Oil and Gas Records, by Cliff L. Dean, et al, to Leonard Latch, covering State of New Mexico Oil and Gas Lease B-8318, insofar as the operating agreement and lease cover all horizons from the surface down to 3,000 feet below the surface, underlying the following lands in Eddy County, New Mexico: