

part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by Lessee, as provided herein, may be dissolved by Lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit.

Tract No. 3

Lessor: Herschel F. Johnson and wife Lorraine F. Johnson

Lessee of Record: Marathon Oil Company

Recording Reference: Volume 125, Page 125, Oil and Gas Records, Eddy County,
New Mexico

Date of Lease: February 5, 1962

Description of Lands Committed: NE/4 of Section 20, T-18-S, R-26-E, Eddy County,
New Mexico

Number of Acres: 160

Working Interest and Percentage: Marathon Oil Company - All

O.R.R.I. and Percentage: None

Pooling Authorization: This lease contains therein and is subject to the same
verbatim pooling provision as is quoted under Tract No.
2 above.

Tract No. 4

"A" Lease

Lessor: Louise Truett, individually and as Executrix of the Estate of Bertha C.
Marable, deceased, and H. M. Truett, her husband

Lessee of Record: Marathon Oil Company

Recording Reference: Volume 164, Page 377, Oil and Gas Records, Eddy County,
New Mexico

Date of Lease: January 18, 1966

Description of Lands Committed: Undivided 24/128 interest in the E/2 NW/4 of
Section 20, T-18-S, R-26-E, Eddy County,
New Mexico

Number of Acres: 24/128 interest in 80 acres (15 net acres)

Working Interest and Percentage: Marathon Oil Company - All

O.R.R.I. and Percentage: G. Dee Williamson - 24/128 of 12½%

Pooling Authorization: This lease contains therein and is subject to the same
verbatim pooling provision as is quoted under Tract No.
2 above.