

SCHEDULE A

OWNERSHIP OF N $\frac{1}{2}$ SECTION 24,
TOWNSHIP 22 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

Interest shown for each tract is fraction of total production.
Type of interest is designated as follows:

WI - Working Interest
RI - Royalty Interest
ORI - Overriding Royalty Interest
PPI - Production Payment Interest
Unl - Unleased Interest

Part I: NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 24, T. 22 S., R. 26 E. ----- 40 acres

H. G. Peveler, whose wife is

Zella Peveler -----	Lease 1 ----	1/8	RI
Atlantic Richfield Company -----	Lease 1 ----	1/8	ORI
Corinne Grace -----	Lease 1 ----	3/4	WI

Part II: W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 24, T. 22 S., R. 26 E. ---- 120 acres

Leona Stagner -----	Lease 2 ----	1/6	of 1/8	RI
Dorothy S. Carlson -----	Lease 2 ----	1/3	of 1/8	RI
Pardue Farms, a partnership composed of Bruce D. Pardue and Maurice P. Pardue -----	Lease 2 ----	1/3	of 1/8	RI
The First National Bank of Birmingham, Birmingham, Alabama, Trustee of J. M. Phillips Testamentary Trust -----				1/30 Unl
Alton M. Blanton and Bohdan Hallas, Trustees of E. C. Phillips Testamentary Trust -----				1/15 Unl
Melton Winfield -----				1/45 Unl
Jerry Phillips Winfield -----				1/45 Unl
James Melton Winfield -----				1/45 Unl
Atlantic Richfield Company -----	Lease 2 ----	5/6	of 1/8	ORI
Corinne Grace -----	Lease 2 ----	5/6	of 3/4	WI

Part III: E $\frac{1}{2}$ NW $\frac{1}{4}$ Section 24, T. 22 S., R. 26 E. ----- 80 acres

Dorothy S. Carlson -----	Lease 3 ----	1/2	of 1/8	RI
Willie L. Pierce, an incompetent -----	Lease 3 ----	1/2	of 1/8	RI
E. S. Grear, et al -----	Lease 3 -----		5%	PPI**
Texas Oil & Gas Corporation -----	Lease 3 ----	1/2	of 82 $\frac{1}{2}$ %	WI**
Nielson Enterprises, Inc. -----	Lease 3 ----	1/2	of 82 $\frac{1}{2}$ %	WI**

** -- Production payment of \$750.00 per acre payable out of
5% of all production; working interest proportionately
increases upon termination of production payment.

Part IV: W $\frac{1}{2}$ NW $\frac{1}{4}$ Section 24, T. 22 S., R. 26 E. ----- 80 acres

John W. Moore, whose wife is

Emily G. Moore -----	Lease 4 ----	1/8	RI
Pennzoil United, Inc. -----	Lease 4 ----	7/8	WI