

EXHIBIT "B"

To Communitization Agreement No. \_\_\_\_\_ embracing Township 24 South,  
Range 28 East, Section 22: N/2 Eddy County, New Mexico

Operator of Communitized Area:

Kaiser-Francis Oil Company

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1:

Lessor: United States of America  
Lease Serial Number: NM-20360  
Original Lessee: Shirley R. Hall, a single woman  
Present Lessee: Union Oil Company of California  
Date of Lease: April 1, 1974  
Lease Term: 10 years  
Basic Royalty Interest: 12.5%  
Overriding Royalty Interest: 5%  
Description of Lands Committed: insofar and only insofar as lease covers  
the Northwest quarter (NW/4)

Number of Acres: 160.00

Name and Percentage of Each  
\* Working Interest Owner: Kaiser-Francis Oil Company 20.28%  
Southland Royalty Company 29.72%  
Union Oil Company of California 50.00%

Name and Percentage of Each  
Royalty Interest Owner: United States of America 12.5%

Name and Percentage of Each  
Overriding Royalty Interest  
Owner: Central Southwest Oil Corporation  
Pension Trust 5.0%

TRACT NO. 2:  
*Lease Contains a provision authorizing pooling in accordance  
with the acreage requirement of the agreement* 7nd 0

Lessor: Trustees of the Conquistador Boy Scouts Trust Fund  
Original Lessee: C. Clyde Hamblin  
Present Lessee: Kaiser-Francis Oil Company  
Date of Lease: August 23, 1972  
Basic Royalty Interest: 18.75%  
Description of Lands Committed: insofar and only insofar as lands cover the  
Northeast quarter (NE/4)

Number of Acres: 160.00

Name and Percentage of Each  
\* Working Interest Owner: Kaiser-Francis Oil Company 100%

Name and Percentage of Each  
Royalty Interest Owner: Trustees of the Conquistador Boy  
Scouts Trust Fund 18.75%

RECAPITULATION

<u>Tract Number</u>	<u>Number of Acres</u>	<u>Percent</u>
1	160	50%
2	160	50%
	<u>320</u>	<u>100%</u>

\*subject to Unit Operating Agreement dated February 15, 1975