

SECTION 13. TRACT PARTICIPATION. In Exhibit "B-2" attached hereto there are listed and numbered the various Tracts within the Unit Area, and set forth opposite each Tract are figures which represent the Tract Participation, during Unit Operations if all Tracts in the Unit Area qualify as provided herein. The Tract Participation of each Tract as shown in Exhibit "B-2" has been determined in accordance with the following formulas:

Beginning at 7:00 A.M. on the Effective Date of this Agreement and continuing until 7:00 A.M. on the first day of the month next following the date when the total number of barrels of oil produced, saved and removed after August 31, 2007, from the Unitized Formation underlying all Tracts described in the original Exhibit "B-1" equals 2,135,000 barrels, the Tract Participation of each Tract shall be determined by the formula:

Tract Participation, Phase I = 100% A/B

A. the number of barrels of oil equivalent produced from Unitized Formation underlying such Tract during the month of August 2007 (MCF of gas being converted to BO by 6:1 ratio.)

B. the total number of barrels of oil equivalent produced from Unitized Formation underlying all such Tracts during the month of August 2007 (MCF of gas being converted to BO by 6:1 ratio.)

Beginning with the termination of Tract Participation, Phase I as set out above and continuing during the remainder of the term of this agreement, the Tract Participation of each Tract shall be determined by the formula:

C the number of barrels of cumulative oil production from the Unitized Formation as of April 30, 2007 underlying such Tract.

D the total number of barrels of cumulative oil production from the Unitized Formation as of April 30, 2007 underlying all such Tracts.

In the event less than all Tracts are qualified on the Effective Date hereof, the Tract Participation shall be calculated on the basis of all such qualified Tracts rather than all Tracts in the Unit Area.

Oil Conservation Division
Case No. 25
Exhibit No. 1

EXHIBIT "B-2"

Attached to and made a part of that certain
Unit Agreement dated December 1, 2007,
WEST BLINEBRY-DRINKARD UNIT AREA
Apache Corporation, as Unit Operator,
Lea County, New Mexico

TRACT NO.	WORKING INTEREST OWNER	Tract Working Interest	Participation Factor		Unit Working Interest	
			Phase I	Phase II	Phase I	Phase II
<u>FEDERAL LANDS</u>						
1	Apache Corporation BP America Production Company Chevron U.S.A. Inc.	50% 25% 25%	6.30032% 6.30032% 6.30032%	6.29076% 6.29076% 6.29076%	0.03150 0.01575 0.01575	0.03145 0.01573 0.01573
	Total	100.00%			0.06300320	0.06290760
2	Apache Corporation BP America Production Company Chevron U.S.A. Inc.	50% 25% 25%	30.38117% 30.38117% 30.38117%	27.27194% 27.27194% 27.27194%	0.151906 0.075953 0.075953	0.136360 0.068180 0.068180
	Total	100.00%			0.30381170	0.27271940
3	Apache Corporation Chevron U.S.A. Inc.	75% 25%	3.19013% 3.19013%	3.27494% 3.27494%	0.023926 0.007975	0.024562 0.008187
	Total	100.00%			0.03190130	0.03274940
4	Elliott-Hall Company Ltd. Partnership Elliott Industries Ltd. Partnership Apache Corporation	25.00% 25.00% 50.00%	0.41893% 0.41893% 0.41893%	5.65016% 5.65016% 5.65016%	0.001047 0.001047 0.002095	0.014125 0.014125 0.028251
	Total	100.00%			0.00418930	0.05650160
<u>STATE LANDS</u>						
5	Apache Corporation	100.00%	11.01977%	7.47837%	0.110198	0.074784
	Total	100.00%			0.11019770	0.07478370
6	Chevron U.S.A. Inc.	100.00%	6.07217%	6.83058%	0.060722	0.068306
	Total	100.00%			0.06072170	0.06830580

TRACT NO.	WORKING INTEREST OWNER	Tract		Participation Factor		Unit Working Interest	
		Working Interest		Phase I	Phase II	Phase I	Phase II
7	Apache Corporation	100.00%		10.34503%	6.29076%	0.103450	0.062908
	Total	100.00%				0.10345030	0.06290760
8	Apache Corporation	100.00%		8.16665%	10.97643%	0.081667	0.109764
	Total	100.00%				0.08166650	0.10976430
<u>FEE LANDS</u>							
9	Apache Corporation	100.00%		4.01219%	1.03646%	0.040122	0.010365
	Total	100.00%				0.04012190	0.01036460
10	Apache Corporation	100.00%		16.21330%	16.20914%	0.162133	0.162091
	Total	100.00%				0.16213300	0.16209140
11	Apache Corporation	100.000%		3.04426%	3.74278%	0.030443	0.037428
	Total	100.00%				0.03044260	0.03742780
12	Six Aeches Company	37.50%		0.57540%	2.11611%	0.002158	0.007935
	Osado Oil & Gs Ltd.	20.3125%		0.57540%	2.11611%	0.001169	0.004298
	John P. Searls	11.7188%		0.57540%	2.11611%	0.000674	0.002480
	Susan Searls Collier	11.7188%		0.57540%	2.11611%	0.000674	0.002480
	Campbell Estate Partnership	14.0625%		0.57540%	2.11611%	0.000809	0.002976
	Linda Searls Neidert	4.6875%		0.57540%	2.11611%	0.000270	0.000992
	Total	100.00%				0.00575400	0.02116110
13A	Apache Corporation	100.00%		0.00000%	1.18689%	0.000000	0.011869
	Total	100.00%				0.00000000	0.01186890
13B	Apache Corporation	100.00%		0.06252%	0.38507%	0.000625	0.003851
	(Hardy Blinebry Unit #1 & #2 - as to the Blinebry Formation)						
	Total	100.00%				0.00062520	0.00385070

TRACT NO.	WORKING INTEREST OWNER	Tract Working Interest	Participation Factor		Unit Working Interest	
			Phase I	Phase II	Phase I	Phase II
14A	Apache Corporation Geodyne Nominee Corporation	87.500000% 12.500000%	0.000000% 0.000000%	0.74856% 0.74856%	0.000000 0.000000	0.006550 0.000936
	Total	100.00%			0.00000000	0.00748560
14B	Apache Corporation	100.000000%	0.19815%	0.51103%	0.001982	0.005110
	(Hardy Blinebry Unit #3 - as to the Blinebry Formation)					
	Total	100.00%			0.00198150	0.00511030
	FEDERAL LANDS	TOTAL			0.402906	0.424878
	STATE LANDS	TOTAL			0.356036	0.315761
	FEE LANDS	TOTAL			0.241058	0.259360
	TOTAL FEDERAL, STATE & FEE LANDS				1.0000	1.0000

EXHIBIT "B-3"
Attached to and made a part of that certain
Unit Agreement dated December 1, 2007,
WEST BLINEBRY-DRINKARD UNIT AREA
Apache Corporation, as Unit Operator,
Lea County, New Mexico

TRACT NO.	SERIAL NUMBER	TRACT OIL AND GAS PARTICIPATIONS (BY TRACTS)	
		<u>PHASE I</u>	<u>PHASE II</u>
FEDERAL LANDS			
1	NMLC-031741-A	0.0630032	0.0629076
2	NMNM-90161	0.3038117	0.2727194
3	NMLC-032096-A	0.0319013	0.0327494
4	NMLC-032591-A	0.0041893	0.0565016
	FEDERAL LANDS		

TRACT NO.	SERIAL NUMBER	TRACT OIL AND GAS PARTICIPATIONS (BY TRACTS)	
STATE LANDS			
5	B-01557	0.1101977	0.0747837
6	B-1732-1	0.0607217	0.0683058
7	B-85-16	0.1034503	0.0629076
8	B-8105-4	0.0816665	0.1097643
	STATE LANDS		

TRACT NO.	SERIAL NUMBER	TRACT OIL AND GAS PARTICIPATIONS (BY TRACTS)	
FEE LANDS			
9	Fee Lease	0.0401219	0.0103646
10	Fee Lease	0.162133	0.1620914
11	Fee Lease	0.0304426	0.0374278
12	Fee Lease	0.005754	0.0211611
13A	Fee Lease (B-T-D Formations)	0	0.0118689
13B	Fee Lease (Hardy Blinebry #1 & #2)	0.0006252	0.0038507
14A	Fee Lease (B-T-D Formations)	0	0.0074856
14B	Fee Lease (Hardy Blinebry #3)	0.0019815	0.0051103
	FEE LANDS		

	TOTAL FEDERAL STATE & FEE LANDS	1.000000	1.000000
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