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GAS POOLING AGREEMENT

B. V. CULP (NOT-A) EDMONT GAS UNIT NO. 1

THIS AGREEMENT made and entered into this 21st day
of December, 1934, by and between GULF OIL CORPORATION, hereinafter called "Gulf", SHELL OIL COMPANY, hereinafter called "Shell", and PHILLIPS PETROLEUM COMPANY, hereinafter called "Phillips",

WITNESSETH, that

WHEREAS, Gulf is the owner and holder of an oil and gas lease dated May 6, 1921, from Baxter V. Culp, et al, as Lessor, to Gypsy Oil Company, as Lessee, covering among other lands the SW/4 NW/4, E/2 NW/4, and the NE/4 of Section 19, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, Gulf is also the owner and holder of State of New Mexico oil and gas lease No. A-1945 dated December 23, 1923, from the State of New Mexico, as Lessor, to Gypsy Oil Company, as Lessee, covering among other lands the S/2 SE/4 of Section 19, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, Shell is the owner and holder of State of New Mexico oil and gas lease No. B-1117 dated September 6, 1932, from the State of New Mexico, as Lessor, to Shell Petroleum Corporation, as Lessee, covering among other lands the N/2 SE/4 of Section 19, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, Phillips is the owner and holder of an oil and gas lease dated August 7, 1923, from Harvey Culp, et al, as Lessor, to B. L. Thorne, as Lessee, covering the NW/4 NW/4 of Section 19, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, it is the desire of all of the parties hereto that this agreement cover the N/2 and the SE/4 of Section 19, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico

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as to dry gas and condensate. The condensate is produced from a gas well, as defined by the New Mexico Oil Conservation Commission within the vertical limits of the Trent Ore Pool, as defined in said Commission's Order No. 44, 3, said area hereinafter being referred to as the "Trent Ore Area Unit", and

WHEREAS, it is necessary to comply with existing rules and regulations governing gas well operations and gas proration units, and to acquire a proration unit for the above described pooled proration unit, it is the intent of the parties hereto to pool all leasehold and royalty interests in order to form one tract or unit, and

WHEREAS, said unit is to operate the pooled production unit as an entirety for the purpose of developing and producing dry gas and associated oil and condensate in accordance with the terms and provisions of this lease;

NOW, THEREFORE, in consideration of the premises and the mutual advantages arising from this agreement, it is mutually covenanted and agreed by and between the parties hereto that the pooled production shall be produced, stored and operated by Gulf, its successors or assigns, for the production therefrom of oil, gas and associated liquids and shall be an entirety, with the understanding and agreement that the dry gas and associated oil and hydrocarbons from the production of said unit shall be allocated among the separate tracts comprising said unit in the proportion that the acreage interest of each tract bears to the entire surface acreage of said unit. There shall be no obligation on Gulf, its successors or assigns, to offset any gas well or wells or separator or separators on any tracts into which pooled production shall be produced. Hereafter be divided, and shall Gulf, its successors or assigns or assigns be required to separately measure said dry gas or associated liquid hydrocarbons from each of the discrete ownership of each tract shown in said map or plat or sheet, but the lease shall not be released from the unit.

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well or wells shall not be subject to pooling with the said tract.
Payment of rentals and royalties shall be made hereinafter
mentioned and a similar well shall not be affected by this agreement
except as may be otherwise provided.

It is further provided that the commencement, completion,
continued operation or abandonment of well or wells for dry gas
and associated liquid hydrocarbons in the pooled production unit
shall be considered as the commencement, completion,
continued operation or abandonment of each and all of the tracts
within and comprising the pooled production unit.

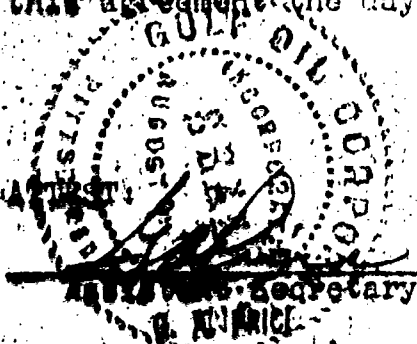
It is further provided that the parties hereto that this
agreement shall include and cover the total dry gas and associated
liquid hydrocarbons production from a gas well or gas wells as
defined by the North Dakota State Oil and Gas Commission located on
the pooled production unit and shall not in any manner or effect in any
manner wantonly or otherwise prevent the production of hydrocarbons from any
oil well located within the pooled production unit or any of the production
of hydrocarbons from the pooled production unit as above
defined.

It is further agreed that the production of dry gas and
associated liquid hydrocarbons from the pooled production unit shall be in
conformity with all laws, regulations, rules or orders of any duly authorized
person or regulatory body having jurisdiction Federal or State
statute. The provisions of this agreement shall be subject to any
applicable Federal or State laws or executive orders, rules or
regulations which affect the performance of any of the provisions
of this agreement, and any party who fails to comply with any of the pro-
visions of this agreement if such compliance is prevented by
if such failure shall constitute a breach with any such law, rule
or regulation.

This agreement shall be in full compliance with the laws
and regulations of the State of North Dakota and shall not be
subject to any other laws, regulations, rules or orders of any
person or regulatory body having jurisdiction Federal or State

effect for a period of one (1) year and so long thereafter as dry gas, with or without associated liquid hydrocarbons, is produced from any part of said pooled proration unit in paying quantities. It is further provided that after the expiration of said one-year period, should the unit well or wells be reclassified by the New Mexico Oil Conservation Commission, or should the pooled proration unit cease to produce gas in paying quantities from any cause, this agreement shall not terminate, if within six (6) months after the date of any such reclassification or cessation of such production, Operator shall commence operations for the purpose of restoring gas production from the unit, in which event this agreement shall remain in full force and effect during the period such operations are being diligently prosecuted and so long thereafter as dry gas, with or without associated liquid hydrocarbons, is produced from said unit in paying quantities.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year herein first above written.


 Assistant Secretary
 R. K. PRICE

GULF OIL CORPORATION

By

W. A. SHELLSHEAR

Law	<i>[Signature]</i>
Contract	<i>[Signature]</i>
Eng.	<i>[Signature]</i>
Fin.	<i>[Signature]</i>

Attorney in Fact

SHELL OIL COMPANY

By

Attorney-in-Fact

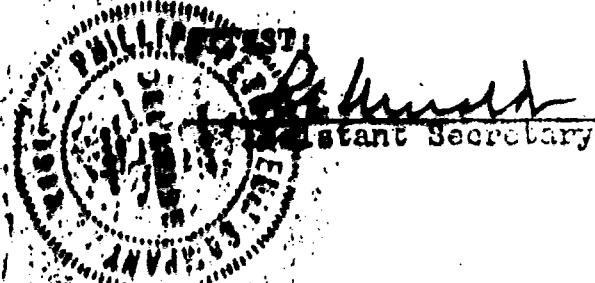
PHILLIPS PETROLEUM COMPANY

By

VICE PRESIDENT

[Handwritten initials]
 9/28/33


 Assistant Secretary
 H. H. HIGHTON


 Assistant Secretary
 R. K. PRICE

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STATE OF OKLAHOMA

COUNTY OF WASHINGTON

On this 27th day of January, 1958, before me personally appeared W. C. Sharp, to me personally known, who being by me duly sworn did say that he is the President of PHILLIPS PETROLEUM COMPANY and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said W. C. Sharp acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year last above written.

Marlyn L. Lister
Notary Public in and for Washington
County, Oklahoma

My commission expires:

7-21-62

CERTIFICATE OF APPROVAL

BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO


GULF'S B. V. CULP "A" NO. 3 WELL- COMMUNITIZATION

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated December 26, 1957, which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the state, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 7-11-39, 7-11-40, 7-11-41, 7-11-47, 7-11-48, New Mexico Statutes Annotated 1953 Compilation, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 12th day of August 19 58.



Commissioner of Public Lands
of the State of New Mexico

