

SG INTERESTS I, LTD., OPERATOR

11-19-92

ARCHUNDE 29-10-24 #1 WELL

UNIT WORKING INTEREST

|                               |              |
|-------------------------------|--------------|
| * SG Interests I, Ltd.        | 61.875%      |
| ** El Paso Production Company | 37.500%      |
| Frederick L. Lilly            | <u>.625%</u> |
|                               | 100.000%     |

\* Working Interest obtained through Farmout Agreements and Assignments.

\*\* El Paso Production Company elected to non-consent the drilling of the well under the Operating Agreement.

Application of SG Interests I, Ltd. for  
Compulsory Pooling  
Case No. 10609 & 10610  
Examiner Hearing Docket Dated 11/19/92  
Exhibit No. 2

SG INTERESTS I, LTD., OPERATOR

11-19-92

ARCHUNDE 29-10-24 #1 WELL

LEASEHOLD OWNERSHIP

Tract 1

120 Acres

N/2 NW/4, SW/4 NW/4

El Paso Production Company

100.00%

*Non-Consent*

Tract 2

160 Acres

NW/4 NE/4, SE/4 NW/4, S/2 NE/4

Amoco Production Company

100.00%

*Subject to Farmout Agreement to SG Interests I, Ltd.*

Tract 3

40 Acres

NE/4 NE/4

Josephine M. Moseley

55.00%

*Subject to Assignment of Oil and Gas Leases to  
SG Interests I, Ltd.*

BMOE Co.

20.00%

*Subject to Farmout Agreement to SG Interests I, Ltd.*

R&W Company

20.00%

*Subject to Assignment of Oil and Gas Leases to  
SG Interests I, Ltd.*

Frederick L. Lilly

5.00%  
100.00%

**SG INTERESTS I, LTD., OPERATOR**

11-19-92

**ARCHUNDE 29-10-24 #1 WELL**

**DESCRIPTION OF LEASES**

**SECTION 24: N/2 TOWNSHIP 29 NORTH-RANGE 10 WEST  
SAN JUAN COUNTY, NEW MEXICO**

**Tract 1**

120 Acres  
N/2 NW/4, SW/4 NW/4

SERIAL NO.: SF 078266  
ORIGINAL LESSOR: United States of America  
ORIGINAL LESSEE: Claude E. Wood, John E. Miles and Leo E. Schutz  
DATE: October 1, 1946  
RECORDING DATA: Book 126, Page 96  
DESCRIPTION: N/2 NW/4, SW/4 NW/4  
Containing 120 acres, more or less

**Tract 2**

160 Acres  
NW/4 NE/4, SE/4 NW/4, S/2 NE/4

ORIGINAL LESSOR: Manuel D. Martinez and Cristerna Martinez, husband and wife  
ORIGINAL LESSEE: C. H. Nye  
DATE: October 25, 1947  
RECORDING DATA: Book 130, Page 110  
DESCRIPTION: SE/4 NW/4, NW/4 NE/4  
Containing 80 acres, more or less

ORIGINAL LESSOR: J. P. Abeyta and Carmen Abeyta, husband and wife  
ORIGINAL LESSEE: Stanolind Oil and Gas Company  
DATE: January 27, 1948  
RECORDING DATA: Book 130, Page 312  
DESCRIPTION: SW/4 NE/4  
Containing 4 acres, more or less

ORIGINAL LESSOR: Sabino Chavez and wife, Josephine V. Chavez  
ORIGINAL LESSEE: Erle Payne  
DATE: April 4, 1946  
RECORDING DATA: Book 125, Page 14  
DESCRIPTION: SE/4 NE/4 (Except 2 acres in the Northwest corner thereof) and  
S/2 SW/4 NE/4  
Containing 58 acres, more or less

ORIGINAL LESSOR: Mary P. Chavez, Fidel Chavez, Jr., Elogia Candelaria, Fred Chavez, Charles Chavez, Verona Chavez Aragon, Regina Masters, Dorothy Gallegos, Joe M. Chavez and Mabel Chavez  
ORIGINAL LESSEE: Stanolind Oil and Gas Company  
DATE: September 9, 1955  
RECORDING DATA: Book 296, Page 69  
DESCRIPTION: N/2 SW/4 NE/4 and 2 Acres in the Northwest Corner of N/2 SE/4 NE/4; Except 4 Acres in the Northwest Corner of SW/4 NE/4  
Containing 18 acres, more or less

ORIGINAL LESSOR: Della Chavez, as natural guardian of Frances Chavez and Patsy Chavez  
ORIGINAL LESSEE: Pan American Petroleum Corporation  
DATE: May 22, 1957  
RECORDING DATA: Book 335, Page 25  
DESCRIPTION: N/2 SW/4 NE/4 and 2 Acres in the Northwest Corner of N/2 SE/4 NE/4; Except 4 Acres in the Northwest Corner of SW/4 NE/4  
Containing 18 acres, more or less

### Tract 3

40 Acres  
NE/4 NE/4

ORIGINAL LESSOR: Raymond D. Farmer and Olive M. Farmer, husband and wife, Shirley M. Linder, a single woman, Louis C. Farmer and Frances Farmer, husband and wife, Walter C. Farmer, a single man, Carl V. Farmer and Marie Farmer, husband and wife, Audrey Foster and Howard N. Foster, husband and wife, Helen M. Dashen and Felix Dashen, husband and wife  
ORIGINAL LESSEE: Claud E. Aikman  
DATE: July 10, 1956  
RECORDING DATA: Book 310, Page 176  
DESCRIPTION: NE/4 NE/4  
Containing 40 acres, more or less

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