

Walker Draw Unit Area, Eddy County, New Mexico, T-23-S, R-23-E:

| Tr. No.      | Description of Land                                                       | No. of Acres | Serial No. & Exp. Date of Lease | Basic Royalty & %     | Lessee of Record      | Overriding Royalty and Percentage                                                                                        | Working Interest and Percentage |
|--------------|---------------------------------------------------------------------------|--------------|---------------------------------|-----------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Federal Land |                                                                           |              |                                 |                       |                       |                                                                                                                          |                                 |
| 1            | Sec. 10: S/2                                                              | 320          | New Mexico 0557128-A<br>5-31-75 | US - All<br>(12-1/2%) | David Fasken          | Esther H. & Wm.<br>B. Levy<br>Abko, Inc.<br>-<br>2.50%<br>-<br>2.50%                                                     | David Fasken - 100%             |
| 2            | Sec. 15: N/2 NE/4, NE/4 NW/4, S/2 NW/4, SW/4                              | 360          | New Mexico 0557128-B<br>5-31-75 | US - All<br>(12-1/2%) | Allied Chemical Corp. | Abko, Inc.<br>Esther H. & Wm. B. Levy<br>-<br>2.50%<br>-<br>2.50%                                                        | Allied Chemical Corp. - 100%    |
| 3            | Sec. 10: N/2                                                              | 320          | New Mexico 0557128-C<br>5-31-75 | US - All<br>(12-1/2%) | David Fasken          | Esther H. & Wm. B. Levy<br>Olen F., II & Charla Featherstone<br>-<br>3.00%<br>-<br>2.00%                                 | David Fasken - 100%             |
| 4            | Sec. 15: NW/4 NW/4                                                        | 40           | New Mexico 0557129<br>1-31-76   | US - All<br>(12-1/2%) | Allied Chemical Corp. | Thomas Allen<br>Burwell Binns<br>-<br>3.00%<br>-<br>2.00%                                                                | Allied Chemical Corp. - 100%    |
| 5            | Sec. 22: NW/4 NW/4                                                        | 40           | New Mexico 0557132<br>2-29-76   | US - All<br>(12-1/2%) | Allied Chemical Corp. | Thomas Allen<br>David Finley<br>Sidney Cain<br>-<br>1.00%<br>-<br>2.00%<br>-<br>2.00%                                    | Allied Chemical Corp. - 100%    |
| 6            | Sec. 22: E/2                                                              | 320          | New Mexico 0558434<br>11-30-75  | US - All<br>(12-1/2%) | Allied Chemical Corp. | Jack J. Grynberg<br>E. Neil Palsgrove<br>Philadelphia Oil Co.<br>of California<br>-<br>1.25%<br>-<br>2.50%<br>-<br>2.50% | Allied Chemical Corp. - 100%    |
| 7            | Sec. 20: S/2 N/2, S/2 N/2, N/2 SW/4, SW/4 SW/4<br>Sec. 29: W/2 NE/4, NW/4 | 1160         | New Mexico 0560241-A<br>6-30-76 | US - All<br>(12-1/2%) | David Fasken          | George L. Bartlett<br>Milton F. Untermeyer<br>Paul M., Jr. & H. Jean Mershon<br>-<br>2.00%<br>-<br>2.00%<br>-<br>3.50%   | David Fasken - 100%             |

EXHIBIT B (continued)

Walker Draw Unit Area, Eddy County, New Mexico, T-23-S, R-23-E:

| Tr. No. | Description of Land                                                  | No. of Acres | Serial No. & Exp. Date of Lease | Basic Royalty & %     | Lessee of Record      | Overriding Royalty and Percentage                                                                 | Working Interest and Percentage |
|---------|----------------------------------------------------------------------|--------------|---------------------------------|-----------------------|-----------------------|---------------------------------------------------------------------------------------------------|---------------------------------|
| 8       | Sec. 28: SW/4, W/2 SE/4                                              | 240          | NM 269<br>11-30-73              | US - All<br>(12-1/2%) | Gulf Oil Corp.        | Patricia Boyle - 5.00%                                                                            | Gulf Oil Corp. - 100%           |
| 9       | Sec. 8: All<br>Sec. 9: W/2 NE/4, SE/4 NE/4, W/2, N/2 SE/4, SW/4 SE/4 | 1200         | NM 326<br>8-31-76               | US - All<br>(12-1/2%) | David Fasken          | Virginia S. & A. W. Rutter - 4.00%<br>Paul M., Jr. & H. Jean Mershon - 3.50%                      | David Fasken - 100%             |
| 10      | Sec. 9: SE/4 SE/4                                                    | 40           | NM 1522<br>2-28-77              | US - All<br>(12-1/2%) | David Fasken          | B. J. & F. J. Bradshaw - 5.00%                                                                    | David Fasken - 100%             |
| 11      | Sec. 9: NE/4 NE/4                                                    | 40           | NM 1523<br>2-28-77              | US - All<br>(12-1/2%) | Allied Chemical Corp. | Jack J. Grynberg - 6.25%                                                                          | Allied Chemical Corp. - 100%    |
| 12      | Sec. 17: NE/4 NE/4                                                   | 40           | NM 1526<br>2-28-77              | US - All<br>(12-1/2%) | David Fasken          | Elmer R. Behneman - 2.00%<br>Arthur L. Behneman - 2.00%<br>Paul M., Jr. & H. Jean Mershon - 3.50% | David Fasken - 100%             |
| 13      | Sec. 17: W/2 NE/4, SE/4 NE/4, NW/4, N/2 SW/4, SE/4 SW/4, SE/4        | 560          | NM 3597<br>10-31-77             | US - All<br>(12-1/2%) | David Fasken          | D. B. & Martha C. Douglas - \$250/ac. out of 2.50%<br>Paul M., Jr. & H. Jean Mershon - 5.00%      | David Fasken - 100%             |
| 14      | Sec. 22: NE/4 NW/4, S/2 NW/4, SW/4                                   | 280          | NM 7045-A<br>7-31-78            | US - All<br>(12-1/2%) | Allied Chemical Corp. | Arthur N. Rupe - 6.25%                                                                            | Allied Chemical Corp. - 100%    |

EXHIBIT B (continued)

Walker Draw Unit Area, Eddy County, New Mexico, T-23-S, R-23-E:

| Tr. No. | Description of Land                                                     | No. of Acres | Serial No. & Exp. Date of Lease | Basic Roy-alty & %    | Lessee of Record      | Overriding Royalty and Percentage | Working Interest and Percentage                                                                                                                                     |
|---------|-------------------------------------------------------------------------|--------------|---------------------------------|-----------------------|-----------------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 15      | Sec. 15: SE/4                                                           | 160          | NM 8426<br>12-31-78             | US - All<br>(12-1/2%) | Allied Chemical Corp. | S. Cooper Malone - 5.00%          | Allied Chemi-cal Corp. - 100%                                                                                                                                       |
| 16      | Sec. 28: SW/4 NE/4, 240<br>SE/4 NW/4,<br>Sec. 29: E/2 SW/4,<br>W/2 SE/4 |              | NM 9978-A<br>7-31-79            | US - All<br>(12-1/2%) | David Fasken          | Otto G. & Creta M. Green - 4.00%  | David Fasken - 100%                                                                                                                                                 |
| 17      | Sec. 21: SE/4 SE/4                                                      | 40           | NM-15855<br><del>6-30-82</del>  | US - All<br>(12-1/2%) | Howell Spear - All    | Howell Spear - 3.00%              | 0' to 8,600'<br>Robert B. Holt - 9.3750%<br>F. H. Fuhrman - 15.6250%<br>Cities Service Oil Co. - 33.5550%<br>David Fasken - 40.6197%<br>L. C. Harris - 0.8253%      |
|         |                                                                         |              |                                 |                       |                       |                                   | 8,600' to 10,280'<br>Robert B. Holt - 9.3750%<br>F. H. Fuhrman - 15.6250%<br>Cities Service Oil Co. - 35.0110%<br>David Fasken - 39.1637%<br>L. C. Harris - 0.8253% |
|         |                                                                         |              |                                 |                       |                       |                                   | Below 10,280'<br>Robert B. Holt - 37.5000%<br>F. H. Fuhrman - 62.5000%                                                                                              |

17 Federal Tracts 5400 acres or 76.704546% of Unit Area

EXHIBIT B (continued)

Walker Draw Unit Area, Eddy County, New Mexico, T-23-S, R-23-E:

| Tr. Description of No. Land                                                                                                                              | No. of Acres | Serial No. of Lease | Exp. Date | Basic Royalty & %         | Lessee of Record            | Overriding Royalty and Percentage                                    | Working Interest and Percentage                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------------|-----------|---------------------------|-----------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New Mexico State Land                                                                                                                                    |              |                     |           |                           |                             |                                                                      |                                                                                                                                                                                               |
| 18 Sec. 16: N/2 NE/4, SE/4 NE/4, NW/4 NW/4, SE/4 NW/4, S/2                                                                                               | 520          | K-2856              | 11-20-72  | State of New Mexico - All | Union Oil Co. of California |                                                                      | <div>0 - 8,600'<br/>Union Oil Co. of California - 50.0000%<br/>Cities Service Oil Co. - 33.5550%<br/>Beard Oil Company - 1.4560%<br/>David Fasken - 14.1637%<br/>L. C. Harris - 0.8253%</div> |
| 8,600' - 10,280'<br>Union Oil Co. of California - 50.0000%<br>Cities Service Oil Company - 35.0110%<br>David Fasken - 14.1637%<br>L. C. Harris - 0.8253% |              |                     |           |                           |                             |                                                                      |                                                                                                                                                                                               |
| Below 10,280'<br>Union Oil Co. of California - 100.0000%                                                                                                 |              |                     |           |                           |                             |                                                                      |                                                                                                                                                                                               |
| 19 Sec. 16: SW/4 NE/4, NE/4 NW/4, SW/4 NW/4                                                                                                              | 120          | K-6204-1            | 7-19-77   | State of New Mexico - All | David Fasken                | 320 Minerals, Ltd. - 5.00%<br>Paul M., Jr. & H. Jean Mershon - 2.50% | David Fasken - 100.0000%                                                                                                                                                                      |

Walker Draw Unit Area, Eddy County, New Mexico, T-23-S, R-23-E;

| Tr. No.                                                   | Description of Land                                                                                                                                                                | No. of Acres | Serial No. & Exp. Date of Lease | Basic Royalty & % | Lessee of Record | Overriding Royalty and Percentage | Working Interest and Percentage |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------------------------|-------------------|------------------|-----------------------------------|---------------------------------|
| 2 State Tracts 640 acres or 9.090909% of Unit Area        |                                                                                                                                                                                    |              |                                 |                   |                  |                                   |                                 |
| Patented Land                                             |                                                                                                                                                                                    |              |                                 |                   |                  |                                   |                                 |
| 20                                                        | Sec. 15: S/2 NE/4                                                                                                                                                                  | 80           | Fee 12-1-74                     | Footnote 1        | David Fasken     | None                              | David Fasken - 100%             |
| 21                                                        | Sec. 17: SW/4 SW/4<br>Sec. 20: N/2 N/2<br>Sec. 21: N/2 SE/4,<br>SW/4 SE/4, SE/4<br>SW/4<br>Sec. 28: N/2 N/2, SE/4<br>NE/4, SW/4 NW/4,<br>E/2 SE/4<br>Sec. 29: E/2 E/2, W/2<br>SW/4 | 920          | Fee 11-5-74                     | Footnote 2        | David Fasken     | None                              | David Fasken - 100%             |
| 2 Patented Tracts - 1000 acres or 14.204545% of Unit Area |                                                                                                                                                                                    |              |                                 |                   |                  |                                   |                                 |
| Total:                                                    | 21 Tracts                                                                                                                                                                          | -            | 7040 acres in entire Unit Area  |                   |                  |                                   |                                 |

FOOTNOTES:

- (1) Tract 20 complete Royalty Interest is as follows:
- |                                                        |                |
|--------------------------------------------------------|----------------|
| J. G. Davidson and wife, Maude Edna Davidson, for life | 50.00%         |
| D. C. Davidson, in remainder                           |                |
| J. H. Moore and wife, Betty Moore                      | 25.00%         |
| Myrtle Ward Schreiner                                  | 25.00%         |
|                                                        | <u>100.00%</u> |

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|---------|----------------------------------------------------------|--------------|---------------------------------|-------------------|--------------------|-----------------------------------|---------------------------------|
| (2)     | <u>Tract 21</u> complete Royalty Interest is as follows: |              |                                 |                   |                    |                                   |                                 |
|         | Merland, Inc.                                            |              |                                 |                   | 11. 94300%         |                                   |                                 |
|         | Carmex, Inc.                                             |              |                                 |                   | 11. 93550%         |                                   |                                 |
|         | Pardue Farms, B. D. Pardue & M. P. Pardue                |              |                                 |                   | 12. 50000%         |                                   |                                 |
|         | June Joyce Kugeler                                       |              |                                 |                   | 11. 93025%         |                                   |                                 |
|         | J. F. Joyce, II                                          |              |                                 |                   | 39. 19125%         |                                   |                                 |
|         | E. B. Guitar                                             |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | R. B. Guitar                                             |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | John Guitar, Jr.                                         |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | Virginia G. Witherspoon                                  |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | Catherine G. Woods                                       |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | Mary G. Polk                                             |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | Laura G. Belcher                                         |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         | Ruth G. Alexander                                        |              |                                 |                   | 1. 56250%          |                                   |                                 |
|         |                                                          |              |                                 |                   | <u>100. 00000%</u> |                                   |                                 |