

COMMITMENT OF ACREAGE
STATE 'A' COM
N/2 SE/4 & SE/4 SE/4 SECTION 5
& NE/4 SECTION 8,
T-21-S, R-36-E
(280 ACRES)

| <u>TRACT 1</u> | <u>OWNER</u> | <u>W.I. %</u> | <u>W.I. ACRES</u> | <u>Y/N*</u> |
|-----------------|-----------------------------|---------------|-------------------|-------------|
| N/2 SE/4 Sec. 5 | Doyle Hartman | 85.3125 | 68.2500 | Y |
| T-21-S, R-36-E | James A. Davidson | 12.1875 | 9.7500 | Y |
| (80 Acres) | Barbara Hepworth Agcy | 1.2500 | 1.0000 | N |
| | FNB-Wichita, Trstee of | 1.2500 | 1.0000 | N |
| | <u>Wm. Bloss Rev. Trst.</u> | | | |
| | Sub-Total | 100.0000 | 80.0000 | |

| <u>TRACT 2</u> | <u>OWNER</u> | <u>W.I. %</u> | <u>W.I. ACRES</u> | <u>Y/N*</u> |
|------------------|---------------|---------------|-------------------|-------------|
| SE/4 SE/4 Sec. 5 | Doyle Hartman | 100.0000 | 40.0000 | Y |
| T-21-S, R-36-E | | | | |
| (40 Acres) | | | | |

| <u>TRACT 3</u> | <u>OWNER</u> | <u>W.I. %</u> | <u>W.I. ACRES</u> | <u>Y/N*</u> |
|----------------|---------------|---------------|-------------------|-------------|
| NE/4 Sec. 8 | Doyle Hartman | 50.0000 | 80.0000 | Y |
| T-21-S, R-36-E | Chevron | 50.0000 | 80.0000 | N |
| (160 Acres) | | | | |
| | Sub-Total | 100.0000 | 160.0000 | |

| <u>TOTAL P.U.</u> | <u>OWNER</u> | <u>W.I. %</u> | <u>W.I. ACRES</u> | <u>Y/N*</u> |
|----------------------|-----------------------------|---------------|-------------------|-------------|
| N/2 SE/4 & SE/4 SE/4 | Doyle Hartman | 67.2322 | 188.2500 | Y |
| Sec. 5 & NE/4 Sec. 8 | Chevron USA, Inc. ✓ | 28.5714 | 80.0000 | N |
| T-21-S, R-36-E | James A. Davidson | 3.4822 | 9.7500 | Y |
| (280 Acres) | Barbara Hepworth Agcy | 0.3571 | 1.0000 | N |
| | FNB-Wichita, Trstee of ✓ | 0.3571 | 1.0000 | N |
| | <u>Wm. Bloss Rev. Trst.</u> | | | |
| TOTAL P.U. | | 100.0000 | 280.0000 | |

| | <u>W.I. %</u> | <u>W.I. ACRES</u> |
|------------------------|----------------|-------------------|
| ACREAGE COMMITTED: | 70.7143 | 198.0000 |
| ACREAGE NON-COMMITTED: | <u>29.2857</u> | <u>82.0000</u> |
| TOTAL PRORATION UNIT | 100.0000 | 280.0000 |

*Y/N - Acreage Committed or Not Committed

1838:StatB

BEFORE EXAMINER CATANACH

Oil Conservation Division

Exhibit No. 4

Case No. 9994

54286

5216

ASSIGNMENT

STATE OF NEW MEXICO {
COUNTY OF LEA { KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, Texaco Producing Inc., a corporation of Delaware, whose mailing address is P. O. Box 3109, Midland, Texas 79702, is the present owner of certain oil, gas and mineral leasehold rights covering the following described land in Lea County, New Mexico, hereinafter referred to as "said land," to wit:

T-21-S, R-36-E, N.M.P.M.

Section 8, NE/4, SAVE AND EXCEPT the interval from the top of the Grayburg formation to the base of the San Andres formation (Eunice Monument South Unit),

containing 160 acres, more or less, held under the terms of the following Oil, Gas and Mineral Lease, as recorded in the Oil and Gas Records of Lea County, New Mexico:

| <u>FROM</u> | <u>TO</u> | <u>DATE</u> | RECORDING DATA <u>VOL/PAGE</u> |
|---------------------------------|------------------|-------------|--------------------------------------|
| State of New Mexico (A-1350) | Devonian Oil Co. | 11-26-28 | 17/86 |

hereinafter referred to as "said lease," covering the above described said land; and

WHEREAS, Doyle Hartman, an individual, whose mailing address is P. O. Box 10426, Midland, Texas 79702, desires to purchase an assignment of the oil, gas and mineral leasehold rights as to said land, along with all of the personal property located on said land and used in connection with the operation of said lease.

W I T N E S S E T H:

NOW THEREFORE, for and in consideration of the premises and the sum of Ten Dollars (\$10.00) cash in hand paid by Doyle Hartman, and other good and valuable consideration, including the covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Texaco Producing Inc., as Assignor, and Doyle Hartman, by acceptance of this assignment, as Assignee, hereby agree to the following terms and conditions:

1. CONVEYANCE

A. Assignor does hereby transfer, assign and convey, without warranty, express or implied, unto Assignee, its successors and assigns, all of Assignor's right, title and interest in and to said lease insofar as it covers said land.

B. In addition to its leasehold interest, Assignor does hereby transfer, convey and assign to Assignee all of Assignor's right, title and interest in and to all of the oil wells, gas wells, water wells, tanks, pumps, pipelines, water lines, roads, buildings, easements and rights of way, machinery, facilities, equipment, fixtures and any personal property located on said land and used in connection with the oil and gas operations thereon.

C. THIS AGREEMENT IS EXECUTED WITHOUT WARRANTY OF TITLE, EITHER EXPRESS OR IMPLIED, WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION AS TO THE MERCHANTABILITY OF ANY OF

NOV-22 1964

THE EQUIPMENT OR PERSONAL PROPERTY OR ITS FITNESS FOR ANY PURPOSE AND WITHOUT ANY OTHER EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER. IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED THE PROPERTY AND PREMISES FOR ALL PURPOSES INCLUDING, WITHOUT LIMITATION, FOR THE PURPOSE OF DETECTING THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL (NORM) AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUB-SURFACE, AND THAT ASSIGNEE ACCEPTS THE PROPERTY IN ITS "AS IS, WHERE IS" CONDITION. ASSIGNOR DISCLAIMS ANY AND ALL LIABILITY ARISING IN CONNECTION WITH ANY ENVIRONMENTAL MATTERS INCLUDING, WITHOUT LIMITATION, ANY PRESENCE OF NORM ON THE PROPERTY. IN ADDITION, THERE ARE NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED IN CONNECTION WITH THE PROPERTY OR AS TO THE QUALITY OR QUANTITY OF THE HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE INTEREST CONVEYED HEREIN OR THE ABILITY OF THE PROPERTY TO PRODUCE HYDROCARBONS. ANY AND ALL DATA, INFORMATION AND MATERIAL FURNISHED BY ASSIGNOR IS PROVIDED AS A CONVENIENCE ONLY AND ANY RELIANCE ON OR USE OF THE SAME IS AT ASSIGNEE'S SOLE RISK. ASSIGNEE EXPRESSLY WAIVES THE PROVISIONS OF CHAPTER XVII, SUB-CHAPTER E, SECTIONS 17.41 THROUGH 17.63, INCLUSIVE, EXCEPT SECTION 17.555 WHICH IS NOT WAIVED, OF VERNON'S TEXAS CODE ANNOTATED, BUSINESS AND COMMERCE CODE.

D. Assignor saves and excepts herefrom any and all sums, production, adjustments of production, unpaid proceeds owed Assignor accruing by virtue of production from said lease and said land prior to the effective date of this assignment, and any and all payments owed Assignor under any other agreements, as set out in Paragraph 2.A. below, to which this assignment is made subject including but not limited to production in the tanks above the pipeline connection on the effective date hereof. Although Assignor assigns all assignable right-of-way that might be found affecting said land, Assignor expressly retains the right for use of such rights-of-way where needed for the development of retained rights, or access to nearby or adjoining Assignor properties.

E. Notwithstanding anything to the contrary contained herein, Assignor and Assignee acknowledge and agree possible gas imbalances may exist on said land and will be handled as follows:

1. Gas Underproduction

In the event Assignor is underproduced as to any well(s) located on said land, Assignee agrees not to hold Assignor liable for such underproduction. Assignee, however, agrees that Assignor shall retain all of its contractual rights to make up such underproduction or receive the proceeds from such make up.

2. Gas Overproduction

In the event Assignor is overproduced as to any well(s) located on said land, Assignor acknowledges and agrees that it will settle its accounts and balance the production with the underproduced working interest owners after the date of this assignment and that Assignee shall be released from any liability for Assignor's failure to do so.

2. COVENANTS

A. This assignment is subject to any and all agreements, affecting said land whether recorded or unrecorded; and this agreement is subject to the terms and provisions of the following agreements, if and when applicable:

Operating Agreement dated May 9, 1930, between Tidal Oil Company, as Operator, and Devonian Oil Company, et al, as Non-Operators.

B. Assignor neither implies, nor warrants, that it will execute any offer of credit or any other agreement with any interstate pipeline as contemplated in Federal Energy Regulatory Commission (FERC) Order No. 500 et al (18 C.F.R. 284.8 and 284.9), or any amendment or successor order; provided, however, if (1) in accordance with FERC Order No. 500 et al no crediting is required or the gas is exempted from crediting, or (2) take-or-pay moneys are not currently accruing and are not owed to Assignor by the transporting pipeline seeking an offer of credit, Assignor shall execute, if necessary, an offer of credit so that the Assignee may obtain transportation of gas produced from the said land. Nothing herein shall be construed to prohibit the Assignee from seeking to obtain the agreement of each potential transporting pipeline to waive its right to receive an offer of credit from Assignor relative to gas produced from the said land.

C. Assignee agrees to defend, protect and indemnify, and hold harmless Assignor, its employees and agents, from and against each and every claim, demand, action, cause of action, or lawsuit, and any liability, cost, expense, damage, or loss, including court costs and attorney's fees, that may be asserted against Assignor or Assignee by any third party, including Assignee's employees and agents, arising from or on account of any operations conducted by Assignee, or for the benefit of Assignee.

D. Assignee shall observe, perform and comply with the terms, provisions, covenants and conditions, express or implied, of said lease and with all laws, rules, regulations and orders, both State and Federal, applicable to ownership and enjoyment of the rights herein assigned.

E. Assignee agrees to accept full responsibility for the plugging of all unplugged wells conveyed hereby and agrees to comply with all the requirements of the statutes of the State of New Mexico and with all the rules and regulations of the Oil Conservation Division, or successor regulatory body, in effect at the time any well is plugged. Assignee agrees to hold Assignor harmless against any expense, claim or cause of action brought against Assignor or Assignee by any third party, including the State of New Mexico, arising from Assignee's failure to plug or the improper plugging of any well conveyed hereby.

F. Assignee shall be responsible for the payment of Assignee's pro-rata share of all ad valorem property taxes for the calendar year 1989. For the year 1990 and all subsequent years, Assignee agrees to timely render and pay all ad valorem taxes on the property conveyed hereby.

IN WITNESS WHEREOF, this agreement is executed this 25th day of October, 1989, but made effective as of the first day of September, 1989, at 7:00 A.M.

APPROVED AS TO:

TEXACO PRODUCING INC., Assignor

Contract 14861
Terms BLT
Form 330

By



Attorney-in-Fact G. Snyder

CMS-BH

Attest

By



DOYLE HARTMAN, an individual, Assignee
Soc. Sec. No. 414-68-3626

Assignment from Texaco Producing Inc. to
Doyle Hartman
effective September 1, 1989
Page 3 of 4 Pages

STATE OF TEXAS {
COUNTY OF MIDLAND {

This instrument was acknowledged before me on October 25, 1989, by S. G. Snyder, Attorney-in-Fact of TEXACO PRODUCING INC., a Delaware corporation, on behalf of said corporation.

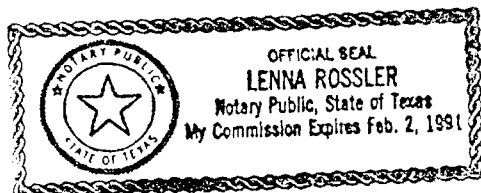


SHARON TAYLOR
Notary Public, State of Texas
My Commission expires 4-30-93

Sharon Taylor
Notary Public in and for the State of Texas

STATE OF TEXAS {
COUNTY OF MIDLAND {

This instrument was acknowledged before me on October 27, 1989, by DOYLE HARTMAN, an individual.



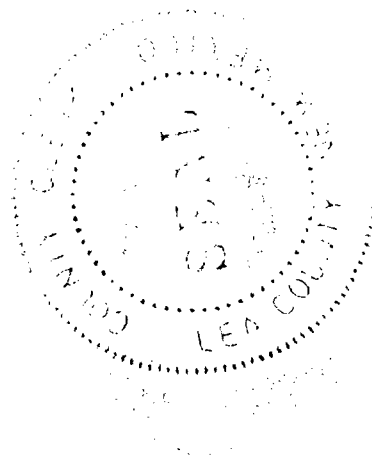
Lenna Rossler
Notary Public in and for the State of Texas

My Commission Expires: _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

NOV 9 1989

at 10:58 o'clock A. M.
and recorded in Book 444
Page 587
Shirley Hecker, Lea County Clerk
By [Signature] Deputy



Assignment from Texaco Producing Inc. to
Doyle Hartman
effective September 1, 1989
Page 4 of 4 Pages

54286

ASSIGNMENT OF OPERATING RIGHTS AND BILL OF SALE

STATE OF NEW MEXICO {
COUNTY OF LEA { KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, Texaco Producing Inc., a corporation of Delaware, whose mailing address is P. O. Box 3109, Midland, Texas 79702, is the present owner of certain gas leasehold rights covering the following described land in Lea County, New Mexico, hereinafter referred to as "said land," to wit:

Township 21 South, Range 36 East, N.M.P.M.

Section 5: South half of the Southeast quarter (S/2 SE/4) INSOFAR AND ONLY INSOFAR as to dry gas and associated liquid hydrocarbons produced from within the vertical limits of the Eumont Gas Pool as defined by the New Mexico Oil Conservation Division.

containing 80 acres, more or less, held under the terms of the following Oil and Gas Lease:

| <u>From</u> | <u>To</u> | <u>Date</u> | <u>State Lease Number</u> |
|---------------------|-------------------------------|-------------|-----------------------------------|
| State of New Mexico | Atlantic Oil Producing Co. | 01/30/33 | B-1673 |

hereinafter referred to as "said lease," covering the above described said land; and

WHEREAS, Doyle Hartman, a individual, whose mailing address is P. O. Box 10426, Midland, Texas 79702, desires to purchase an assignment of the gas operating rights as to said land, along with all of Assignor's interest in and to the State "G" Gas Unit defined herein in Paragraph 2.A.2., along with all of the personal property located on said land or unit and used in connection with the operation of said lease or unit.

W I T N E S S E T H:

NOW THEREFORE, for and in consideration of the premises and the sum of Ten Dollars (\$10.00) cash in hand paid by Doyle Hartman, and other good and valuable consideration, including the covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Texaco Producing Inc., as Assignor, and by acceptance of this assignment, Doyle Hartman, as Assignee, hereby agree to the following terms and conditions:

1. CONVEYANCE

A. Assignor does hereby transfer, assign and convey, without warranty, express or implied, unto Assignee, its successors and assigns, all of Assignor's operating rights in and to said lease insofar as it covers said land together with all its right, title and interest in the State "G" Gas Unit more particularly described in Paragraph 2.A.2. Assignor does expressly reserve all oil and gas rights except that acreage and those depths herein described.

RECEIVED

APR 2 1990

B. In addition to its operating rights, Assignor does hereby transfer, convey and assign to Assignee all of Assignor's right, title and interest in and to all of the gas wells, water wells, tanks, pumps, pipelines, water lines, roads, buildings, easements and rights of way, machinery, facilities, equipment, fixtures and any personal property located on said land or on the State "G" Gas Unit and used in connection with the gas operations thereon.

C. THIS AGREEMENT IS EXECUTED WITHOUT WARRANTY OF TITLE, EITHER EXPRESS OR IMPLIED, WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION AS TO THE MERCHANTABILITY OF ANY OF THE EQUIPMENT OR PERSONAL PROPERTY OR ITS FITNESS FOR ANY PURPOSE AND WITHOUT ANY OTHER EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER. IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED THE PROPERTY AND PREMISES FOR ALL PURPOSES INCLUDING, WITHOUT LIMITATION, FOR THE PURPOSE OF DETECTING THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL (NORM) AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUB-SURFACE, AND THAT ASSIGNEE ACCEPTS THE PROPERTY IN ITS "AS IS, WHERE IS" CONDITION. ASSIGNOR DISCLAIMS ANY AND ALL LIABILITY ARISING IN CONNECTION WITH ANY ENVIRONMENTAL MATTERS INCLUDING, WITHOUT LIMITATION, ANY PRESENCE OF NORM ON THE PROPERTY. IN ADDITION, THERE ARE NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED IN CONNECTION WITH THE PROPERTY OR AS TO THE QUALITY OR QUANTITY OF THE HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE INTEREST CONVEYED HEREIN OR THE ABILITY OF THE PROPERTY TO PRODUCE HYDROCARBONS. ANY AND ALL DATA, INFORMATION AND MATERIAL FURNISHED BY ASSIGNOR IS PROVIDED AS A CONVENIENCE ONLY AND ANY RELIANCE ON OR USE OF THE SAME IS AT ASSIGNEE'S SOLE RISK.

D. Assignor saves and excepts herefrom any and all sums, production, adjustments of production, unpaid proceeds owed Assignor accruing by virtue of production from said lease and said land prior to the effective date of this assignment, and any and all payments owed Assignor under any other agreements, as set out in Paragraph 2.A. below, to which this assignment is made subject including but not limited to production in the tanks above the pipeline connection on the effective date hereof. Although Assignor assigns all assignable right-of-way that might be found affecting said land, Assignor expressly retains the right for use of such rights-of-way where needed for the development of retained rights, or access to nearby or adjoining Assignor properties.

E. Notwithstanding anything to the contrary contained herein, Assignor and Assignee acknowledge and agree possible gas imbalances may exist on said land and will be handled as follows:

1. Gas Underproduction

In the event Assignor is under-produced as to any well(s) located on said land, Assignee agrees not to hold Assignor liable for such underproduction. Assignee, however, agrees that Assignor shall retain all of its contractual rights to make up such underproduction or receive the proceeds from such make up.

2. Gas Overproduction

In the event Assignor is overproduced as to any well(s) located on said land, Assignor acknowledges and agrees that it will settle its accounts and balance the production with the underproduced working interest owners after the date of this assignment and that Assignee shall be released from any liability for Assignor's failure to do so.

F. Assignor reserves and is hereby given the right at any time and from time to time to designate a purchaser or to purchase liquid hydrocarbons produced and saved from said land. Assignor's election to purchase said liquid hydrocarbons shall be given to Assignee in writing at least thirty (30) days prior to the time purchases shall begin, and notice of discontinuance of purchase shall be given in a like manner. The price paid shall be the current market price at the wells for such production of like kind and quality.

2. COVENANTS

A. This assignment is subject to any and all agreements affecting said land whether recorded or unrecorded; and this agreement is subject to the terms and provisions of the following agreements, if and when applicable:

1. Operating Agreement dated January 25, 1957, between The Atlantic Refining Company, as "Operator," and Tidewater Oil Company, as "Non-Operator."
2. Gas Pooling Agreement dated January 25, 1957, between The Atlantic Refining Company and Tidewater Oil Company, recorded in Book 128, Page 151 of the Records of Lea County, New Mexico.
3. Ratification of Gas Pooling Agreement dated July 25, 1957, between The Atlantic Refining Company and The Bradley Producing Corporation, recorded in Book 128, Page 147 of the Records of Lea County, New Mexico.

B. Assignor neither implies, nor warrants, that it will execute any offer of credit or any other agreement with any interstate pipeline as contemplated in Federal Energy Regulatory Commission (FERC) Order No. 500 et al (18 C.F.R. 284.8 and 284.9), or any amendment or successor order; provided, however, if (1) in accordance with FERC Order No. 500 et al no crediting is required or the gas is exempted from crediting, or (2) take-or-pay moneys are not currently accruing and are not owed to Assignor by the transporting pipeline seeking an offer of credit, Assignor shall execute, if necessary, an offer of credit so that the Assignee may obtain transportation of gas produced from the said land. Nothing herein shall be construed to prohibit the Assignee from seeking to obtain the agreement of each potential transporting pipeline to waive its right to receive an offer of credit from Assignor relative to gas produced from the said land.

C. Assignee agrees to defend, protect and indemnify, and hold harmless Assignor, its employees and agents, from and against each and every claim, demand, action, cause of action, or lawsuit, and any liability, cost, expense, damage, or loss, including court costs and attorney's fees, that may be asserted against Assignor or Assignee by any third party, including Assignee's employees and agents, arising from or on account of any operations conducted by Assignee, or for the benefit of Assignee.

D. Assignee shall observe, perform and comply with the terms, provisions, covenants and conditions, express or implied, of said lease and with all laws, rules, regulations and orders, both State and Federal, applicable to ownership and enjoyment of the rights herein assigned.

E. Assignee agrees to accept full responsibility for the plugging of all unplugged wells conveyed hereby and agrees to comply with all the requirements of the statutes of the State of New Mexico and with all the rules and regulations of the New Mexico Oil Conservation Division or successor regulatory body, in effect at the time any well is plugged. Assignee agrees to hold Assignor harmless against any expense, claim or cause of action brought against Assignor or Assignee by any third party, including the State of New Mexico, arising from Assignee's failure to plug or improper plugging of any well conveyed hereby.

F. Assignee shall be responsible for the payment of Assignee's pro-rata share of all ad valorem property taxes for the calendar year 1990. For the year 1991 and all subsequent years, Assignee agrees to timely render and pay all ad valorem taxes on the property conveyed hereby.

IN WITNESS WHEREOF, this agreement is executed this 16th day of March, 1990, but made effective as of the first day of February, 1990, at 7:00 A.M.

APPROVED AS TO:

TEXACO PRODUCING INC., Assignor

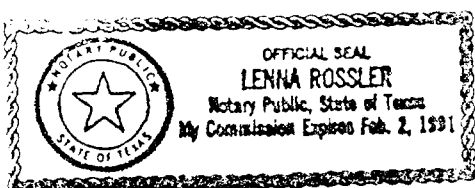
Contract rel
Terms rel
Form rel
wdp/srt

By [Signature]
Attorney-in-Fact (J. E. BETHANCOU)

[Signature]
DOYLE HARTMAN, Assignee
Social Security No. 414-68-3626

STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on 15th, 1990, by March, by DOYLE HARTMAN, an individual.



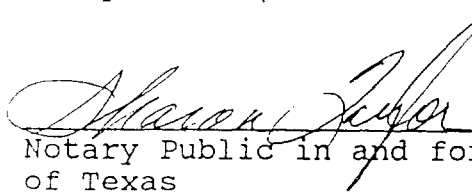
Lenna Rossler
Notary Public in and for the State of Texas

STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on March 16, 1990, by J. E. BETHANCOURT, Attorney-in-Fact of TEXACO PRODUCING INC., a Delaware corporation, on behalf of said corporation.



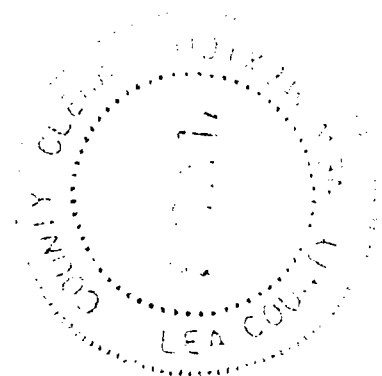
SHARON TAYLOR
Notary Public, State of Texas
My Commission expires 4-30-92


Notary Public in and for the State
of Texas

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

MAR 20 1990

at 11:39 o'clock A. M.
and recorded in Books 525
Page 98
Shirley Hooper, Lea County Clerk
By Bruce H. H. H. DEPUTY



Assignment of Operating Rights and Bill of Sale
From Texaco Producing Inc. to Doyle Hartman
Effective February 1, 1990
Page 5 of 5 Pages

60136

- 63082

QUIT CLAIM DEED AND ASSIGNMENT OF OIL AND GAS LEASE

WHEREAS, Koch Industries, Inc. and/or Koch Exploration Company are the owners of interest in a certain oil and lease in Lea County, New Mexico, more particularly described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, Doyle Hartman desires to purchase all such interest as Koch Industries, Inc. and/or Koch Exploration Company may own in such lease, insofar as the same pertains to the rock unit known as the Eumont Gas Pool;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, receipt of which is hereby acknowledged, Koch Industries, Inc. and/or Koch Exploration Company, hereinafter referred to as Assignor, hereby assigns, transfers, bargains, sells, quits claim to and conveys to Doyle Hartman, hereinafter referred to as Assignee, all of Assignor's right, title and interest in and to that certain oil and gas lease described on Exhibit "A", attached hereto and made a part hereof, insofar and only insofar as such lease covers the interval from 3,350' below the surface of the earth down to the base of the rock unit generally known as the Eumont Gas Interval, more particularly described as the interval from the top of the Yates formation to the base of the Queen (top of the Grayburg) formation, more particularly described as the stratigraphic equivalent of the interval from 2,740' (top of the Yates formation) down to and including the depth of 3,695' (the base of the Queen formation and the top of the Grayburg formation) as found in the Atlantic Refining Company - State "H" No. 1 well located 3000' FSL and 1980' FEL (Unit O) of Section 5, T-21-S, R-36-E, Lea County, New Mexico, and as recorded on the Welex Acoustic Velocity Log taken on October 30, 1962, said Log being measured from a Kelly Drive Bushing elevation of 3,595 feet above sea level.

ASSIGNOR EXPRESSLY RESERVES ANY AND ALL OTHER RIGHTS Assignor may own in such lease, including, but not limited to all rights in the Unitized Interval of the Eunice-Monument South Waterflood Unit, which begins below the depth of 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, as more particularly described above in this Assignment.

This Assignment is intended to cover all rights of surface and subsurface user necessary for the enjoyment of any rights conveyed pursuant to this assignment, except insofar as the same may in any way interfere with Assignor's enjoyment of any and all rights reserved pursuant to this assignment.

This Assignment is MADE WITHOUT WARRANTY OF ANY KIND WHATSOEVER AND ASSIGNOR MAKES NO REPRESENTATION WHATSOEVER OF OWNERSHIP OF THE INTEREST ASSIGNED.

IN WITNESS WHEREOF, Assignor and Assignee have hereunto set their hands and seals this 17th day of May, 1990.

KOCH INDUSTRIES, INC.

By

R. G. Walton
R. G. Walton, Vice President
Exploration & Production

ATTEST:

H. A. Caldwell, Secretary

KOCH EXPLORATION COMPANY

By

R. G. Walton
R. G. Walton, President

ATTEST:

R. D. Buettner, Secretary

Doyle Hartman

Doyle Hartman, Assignee

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF A QUIT CLAIM DEED AND
ASSIGNMENT OF OIL AND GAS LEASE FROM
KOCH EXPLORATION COMPANY, ASSIGNOR TO
DOYLE HARTMAN, ASSIGNEE

DATED May 17, 1990

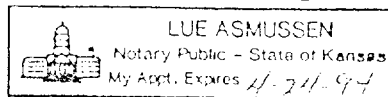
Lease No. B-2456, dated January 24, 1934, from the State of
New Mexico to Stephen Chandler covering the North Half (N/2)
of the Southeast Quarter (SE/4) (subject to overriding royalty
of record and operating agreement of record), Section 5,
Township 21S, Range 36 E. containing 80 acres, more or less.
Koch Lease No. NM-03890

STATE OF KANSAS)
) SS:
 COUNTY OF SEDGWICK)

17th The foregoing instrument was acknowledged before me this day of May, 1990, by R. G. Walton, Vice President of Exploration & Production of Koch Industries, Inc. a Kansas Corporation, on behalf of the corporation.

Lue Asmusen
 Notary Public

My commission expires:

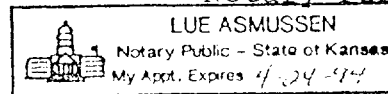


STATE OF KANSAS)
) SS:
 COUNTY OF SEDGWICK)

17th The foregoing instrument was acknowledged before me this day of May, 1990, by R. G. Walton, President of Koch Exploration Company, a Kansas Corporation, on behalf of the corporation.

Lue Asmusen
 Notary Public

My commission expires:



STATE OF TEXAS)
) SS:
 COUNTY OF)

Before me _____ a Notary Public on this day personally appeared DOYLE HARTMAN, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and official seal this _____ day of _____, 1990.

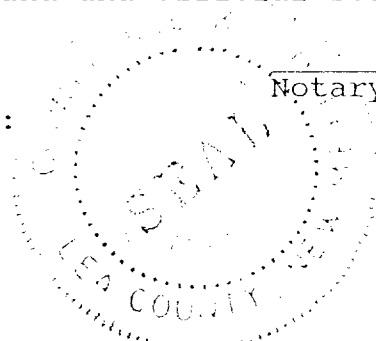
Notary Public

My commission expires:

STATE OF NEW MEXICO
 COUNTY OF LEA
 FILED

MAY 24 1990

at 11:43 o'clock A. M
 and recorded in Book 450
 Page 635
 Shirley Hooper, Lea County Clerk
 By [Signature] Deputy



63092

63083

QUIT CLAIM DEED & ASSIGNMENT OF OIL & GAS LEASE

WHEREAS, BankOne, Indianapolis, NA, Trustee under the Will of Elmer L. Winkler - Marital Trust # 24292-40, is the owner of interest in a certain oil and gas lease in Lea County, New Mexico, more particularly described in Exhibit "A", attached hereto and made a part hereof; and,

AND, WHEREAS, Doyle Hartman desires to purchase all such interest as BankOne, Indianapolis, NA, Trustee under the Will of Elmer L. Winkler may own in such lease, insofar as the same pertains to the rock unit known as the Eumont Gas Pool;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BankOne, Indianapolis, NA, Trustee under the Will of Elmer L. Winkler - Marital Trust # 24292-40, hereinafter referred to as Assignor, hereby assigns, transfers, bargains, sells, quits claim to and conveys to Doyle Hartman, hereinafter referred to as Assignee, all of Assignor's right, title and interest in and to that certain Oil & Gas Lease described in Exhibit "A", attached hereto and made a part hereof, insofar and only insofar as such lease covers the interval from the top of the Yates formation to the base of the Queen (top of the Grayburg) formation, more particularly described as the stratigraphic equivalent of the interval from 2,740 feet (the top of the Yates formation) down to and including the depth of 3,695 feet (the base of the Queen formation and the top of the Grayburg formation) as found in the Atlantic Refining Company - State "H" No. 1 well located 3,000 feet from the South line and 1,980 feet from the East line of Section 5, T-21-S, R-36-E, Lea County, New Mexico.

ASSIGNOR EXPRESSLY RESERVES AND EXCEPTS ANY AND ALL OTHER RIGHTS which Assignor may own in such lease, including, but not limited to all rights in the unitized interval of the Eunice-Monument South Waterflood Unit, which begins at the top of the Grayburg formation, as more particularly described herein.

This Assignment is intended to cover all rights of surface and subsurface user necessary for the enjoyment of any rights conveyed pursuant to this Assignment, except insofar as the same may in any way interfere with Assignor's enjoyment of any and all rights reserved pursuant to the Assignment.

This Assignment is MADE WITHOUT WARRANTY OF ANYKIND WHATSOEVER AND ASSIGNOR MAKES NO REPRESENTATION WHATSOEVER OF OWNERSHIP OF THE INTEREST ASSIGNED.

IN WITNESS WHEREOF, Assignor and Assignee have hereunto set their hands and seals this 11th day of May, 1990.

BankOne, Indianapolis, NA, Trustee
under the Will of Elmer L. Winkler
Marital Trust # 24292-40

Attest:

Herbert A. Raja

by:

Josephine Webster

Josephine Webster

Vice-President, Investment Officer

Doyle Hartman

Doyle Hartman, Assignee

STATE OF INDIANA

COUNTY OF Marion

The foregoing instrument was acknowledged before me this 11 day of May, 1990, by Josephine Webster, Vice-President and Investment Officer of BankOne, Indianapolis, NA, an Indiana corporation, on behalf of the corporation.



My Commission Expires: 4-93

Notary Public

Penny Kay Black

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 11th day of May, 1990, by Doyle Hartman.

Lenna Rossler
Notary Public

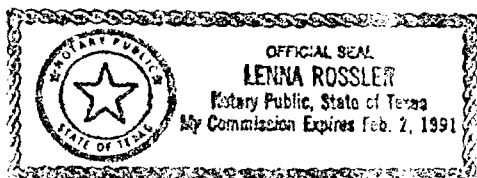


EXHIBIT "A"

Attached to and made a part of that certain
Quit Claim Deed & Assignment of Oil & Gas
Lease from BankOne, Indianapolis, NA,
Trustee u/w/o Elmer L. Winkler-Marital Trust
#24292-40, Assignor, to Doyle Hartman, Assignee

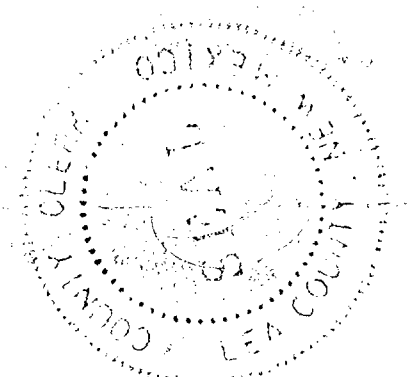
Dated May 11th, 1990

State of New Mexico Lease no. B-2456, dated January 24, 1934,
from the State of New Mexico to Stephen Chandler, and covering
the N/2 SE/4 of Section 5, T-21-S, R-36-E, Lea County, New
Mexico, containing 80 acres, more or less.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

MAY 24 1990

at 11:43 o'clock A. M
and recorded in Book 450
Page 639
Shirley Hoopes, Lea County Clerk
By Paul Newman Deputy



63083

63443

QUIT CLAIM DEED & ASSIGNMENT OF OIL & GAS LEASE

WHEREAS, Doris Ann Winkler, is the owner of interest in a certain oil and gas lease in Lea County, New Mexico, more particularly described in Exhibit "A", attached hereto and made a part hereof; and,

AND, WHEREAS, Doyle Hartman desires to purchase all such interest as Doris Ann Winkler may own in such lease, insofar as the same pertains to the rock unit known as the Eumont Gas Pool;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Doris Ann Winkler, hereinafter referred to as Assignor, hereby assigns, transfers, bargains, sells, quits claim to and conveys to Doyle Hartman, hereinafter referred to as Assignee, all of Assignor's right, title and interest in and to that certain Oil & Gas Lease described in Exhibit "A", attached hereto and made a part hereof, insofar and only insofar as such lease covers the interval from the top of the Yates formation to the base of the Queen (top of the Grayburg) formation, more particularly described as the stratigraphic equivalent of the interval from 2,740 feet (the top of the Yates formation) down to and including the depth of 3,695 feet (the base of the Queen formation and the top of the Grayburg formation) as found in the Atlantic Refining Company - State "H" No. 1 well located 3,000 feet from the South line and 1,980 feet from the East line of Section 5, T-21-S, R-36-E, Lea County, New Mexico.

ASSIGNOR EXPRESSLY RESERVES AND EXCEPTS ANY AND ALL OTHER RIGHTS which Assignor may own in such lease, including, but not limited to all rights in the unitized interval of the Eunice-Monument South Waterflood Unit, which begins at the top of the Grayburg formation, as more particularly described herein.

This Assignment is intended to cover all rights of surface and subsurface user necessary for the enjoyment of any rights conveyed pursuant to this Assignment, except insofar as the same may in any way interfere with Assignor's enjoyment of any and all rights reserved pursuant to the Assignment.

This Assignment is MADE WITHOUT WARRANTY OF ANYKIND WHATSOEVER AND ASSIGNOR MAKES NO REPRESENTATION WHATSOEVER OF OWNERSHIP OF THE INTEREST ASSIGNED.

IN WITNESS WHEREOF, Assignor and Assignee have hereunto set their hands and seals this 23rd day of May, 1990.

Doris Ann Winkler
Doris Ann Winkler, Assignor

Doyle Hartman
Doyle Hartman, Assignee

JUN 14 1990 MAY 30 1990

STATE OF CALIFORNIA

COUNTY OF Santa Barbara

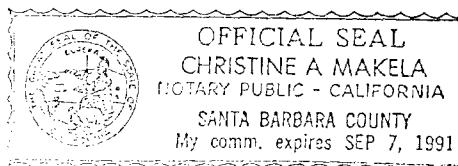
The foregoing instrument was acknowledged before me this 23 day of May, 1990, by Doris Ann Winkler.

My Commission Expires:

Sept 7 1991

Christine A. Makela

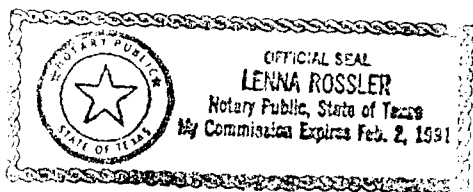
Notary Public



STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 9th day of May, 1990, by Doyle Hartman.



Lenna Rossler

Notary Public

EXHIBIT "A"

Attached to and made a part of that certain
Quit Claim Deed & Assignment of Oil & Gas
Lease from Doris Ann Winkler, Assignor, to
Doyle Hartman, Assignee

Dated May 23, 1990

State of New Mexico Lease no. B-2456, dated January 24, 1934,
from the State of New Mexico to Stephen Chandler, and covering
the N/2 SE/4 of Section 5, T-21-S, R-36-E, Lea County, New
Mexico, containing 80 acres, more or less.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

JUN 4 1990

at 9:31 o'clock A. M

and recorded in Book 451

Page 74

Shirley Hooper, Lea County Clerk

By [Signature]



63443

63444

QUIT CLAIM DEED & ASSIGNMENT OF OIL & GAS LEASE

WHEREAS, Peter D. Evans, is the owner of interest in a certain oil and gas lease in Lea County, New Mexico, more particularly described in Exhibit "A", attached hereto and made a part hereof; and,

AND, WHEREAS, Doyle Hartman desires to purchase all such interest as Peter D. Evans may own in such lease, insofar as the same pertains to the rock unit known as the Eumont Gas Pool;

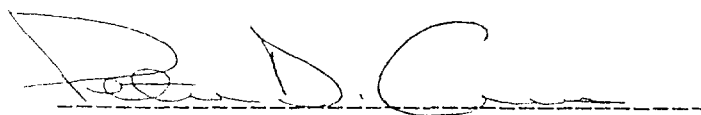
NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Peter D. Evans, hereinafter referred to as Assignor, hereby assigns, transfers, bargains, sells, quits claim to and conveys to Doyle Hartman, hereinafter referred to as Assignee, all of Assignor's right, title and interest in and to that certain Oil & Gas Lease described in Exhibit "A", attached hereto and made a part hereof, insofar and only insofar as such lease covers the interval from the top of the Yates formation to the base of the Queen (top of the Grayburg) formation, more particularly described as the stratigraphic equivalent of the interval from 2,740 feet (the top of the Yates formation) down to and including the depth of 3,695 feet (the base of the Queen formation and the top of the Grayburg formation) as found in the Atlantic Refining Company - State "H" No. 1 well located 3,000 feet from the South line and 1,980 feet from the East line of Section 5, T-21-S, R-36-E, Lea County, New Mexico.

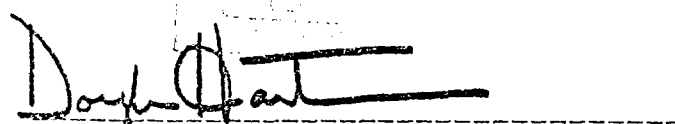
ASSIGNOR EXPRESSLY RESERVES AND EXCEPTS ANY AND ALL OTHER RIGHTS which Assignor may own in such lease, including, but not limited to all rights in the unitized interval of the Eunice-Monument South Waterflood Unit, which begins at the top of the Grayburg formation, as more particularly described herein.

This Assignment is intended to cover all rights of surface and subsurface user necessary for the enjoyment of any rights conveyed pursuant to this Assignment, except insofar as the same may in any way interfere with Assignor's enjoyment of any and all rights reserved pursuant to the Assignment.

This Assignment is MADE WITHOUT WARRANTY OF ANYKIND WHATSOEVER AND ASSIGNOR MAKES NO REPRESENTATION WHATSOEVER OF OWNERSHIP OF THE INTEREST ASSIGNED.

IN WITNESS WHEREOF, Assignor and Assignee have hereunto set their hands and seals this 21 day of May, 1990.


Peter D. Evans, Assignor


Doyle Hartman, Assignee

JUN 14 1990

MAY 29 1990

STATE OF WASHINGTON

COUNTY OF Kittitas

The foregoing instrument was acknowledged before me this 21st day of May, 1990, by Peter D. Evans.

Julie Hall
Notary Public

My Commission Expires: 8-29-93

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 17th day of May, 1990, by Doyle Hartman.

Lenna Rossler
Notary Public



EXHIBIT "A"

Attached to and made a part of that certain
Quit Claim Deed & Assignment of Oil & Gas
Lease from Peter D. Evans, Assignor, to
Doyle Hartman, Assignee

Dated May 21, 1990

State of New Mexico Lease no. B-2456, dated January 24, 1934,
from the State of New Mexico to Stephen Chandler, and covering
the N/2 SE/4 of Section 5, T-21-S, R-36-E, Lea County, New
Mexico, containing 80 acres, more or less.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

JUN 4 1990

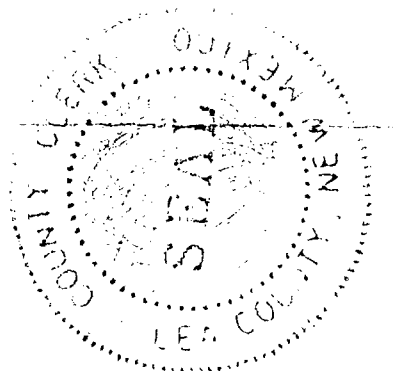
at 9:31 o'clock A. M.

and recorded in Book 451

Page 77

Shirley Hooper, Lea County Clerk

Don Newton Deputy



63444

63619

QUIT CLAIM DEED & ASSIGNMENT OF OIL & GAS LEASE

WHEREAS, James Ralstin, is the owner of interest in a certain oil and gas lease in Lea County, New Mexico, more particularly described in Exhibit "A", attached hereto and made a part hereof; and,

AND, WHEREAS, Doyle Hartman desires to purchase all such interest as James Ralstin may own in such lease, insofar as the same pertains to the rock unit known as the Eumont Gas Pool;

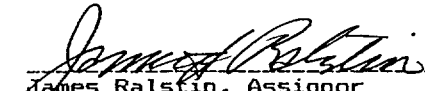
NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, James Ralstin, hereinafter referred to as Assignor, hereby assigns, transfers, bargains, sells, quits claim to and conveys to Doyle Hartman, hereinafter referred to as Assignee, all of Assignor's right, title and interest in and to that certain Oil & Gas Lease described in Exhibit "A", attached hereto and made a part hereof, insofar and only insofar as such lease covers the interval from the top of the Yates formation to the base of the Queen (top of the Grayburg) formation, more particularly described as the stratigraphic equivalent of the interval from 2,740 feet (the top of the Yates formation) down to and including the depth of 3,695 feet (the base of the Queen formation and the top of the Grayburg formation) as found in the Atlantic Refining Company - State "H" No. 1 well located 3,000 feet from the South line and 1,980 feet from the East line of Section 5, T-21-S, R-36-E, Lea County, New Mexico.


ASSIGNOR EXPRESSLY RESERVES AND EXCEPTS ANY AND ALL OTHER RIGHTS which Assignor may own in such lease, including, but not limited to all rights in the unitized interval of the Eunice-Monument South Waterflood Unit, which begins at the top of the Grayburg formation, as more particularly described herein.

This Assignment is intended to cover all rights of surface and subsurface user necessary for the enjoyment of any rights conveyed pursuant to this Assignment, except insofar as the same may in any way interfere with Assignor's enjoyment of any and all rights reserved pursuant to the Assignment.

This Assignment is MADE WITHOUT WARRANTY OF ANYKIND WHATSOEVER AND ASSIGNOR MAKES NO REPRESENTATION WHATSOEVER OF OWNERSHIP OF THE INTEREST ASSIGNED.

IN WITNESS WHEREOF, Assignor and Assignee have hereunto set their hands and seals this 30th day of May, 1990.


James Ralstin, Assignor


Doyle Hartman, Assignee

JUN 18 1990

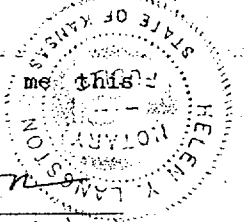
JUN 4 1990

KANSAS
STATE OF ~~WASHINGTON~~
COUNTY OF Sedgwick

The foregoing instrument was acknowledged before me this
30th day of May, 1990, by James Ralstin.

My Commission Expires:
March 26, 1991

Helen Y. Langston
Notary Public (Helen Y. Langston)



STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 5th
day of ~~May~~, 1990, by Doyle Hartman.
June

Lenna Rossler
Notary Public

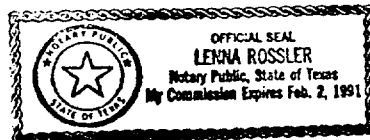


EXHIBIT "A"

Attached to and made a part of that certain
Quit Claim Deed & Assignment of Oil & Gas
Lease from James Ralstin, Assignor, to
Doyle Hartman, Assignee

Dated May 30, 1990

State of New Mexico Lease no. B-2456, dated January 24, 1934,
from the State of New Mexico to Stephen Chandler, and covering
the N/2 SE/4 of Section 5, T-21-S, R-36-E, Lea County, New
Mexico, containing 80 acres, more or less.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

JUN 6 1990

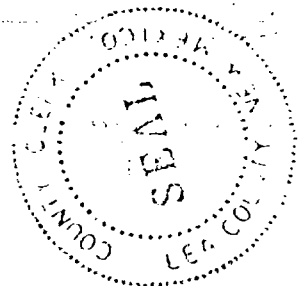
at 12:05 o'clock P. M

and recorded in Book 451

Page 204

Shirley Hooper, County Clerk

By Paul Hunter Deputy



63619

62851

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

Reference is made to the fact that Tupper Ansel Blake, Jr. ("Blake") owns an overriding royalty interest equal to 14.0625% of all oil, gas and casinghead gas and gasoline produced, saved and marketed from the following lands in Lea county, New Mexico:

Township 21 South, Range 36 East, N.M.P.M.

Section 5: N/2 SE/4

under the terms of State of New Mexico Oil and Gas Lease B-2456 from the State of New Mexico, as lessor, to Stephen Chandler, as lessee, dated January 24, 1934. Said overriding royalty interest is a portion of the overriding royalty interest which was reserved in that certain Contract for Assignment of Oil and Gas Lease dated June 12, 1935, between Stephen Chandler and Margaret Chandler, his wife, and R. Olsen, recorded in Book 13, page 106 of the records of Lea County, New Mexico.

Blake desires to assign to the parties named below a portion of said overriding royalty interest insofar as it pertains to the Eumont Gas Pool interval only, being defined as the stratigraphic equivalent of the interval from 2,710 feet down to 3,710 feet below the surface of the ground, as found in the Chevron USA, Inc. - H. T. Orcutt 'NCT' A No. 1 well located in Unit N of Section 5, T-21-S, R-36-E, Lea County, New Mexico, leaving Blake with a 2.34375% overriding royalty interest as to the Eumont Gas Pool interval in said lands.

In accordance with said intent, Blake, grants, assigns and conveys to Doyle Hartman ("Hartman") and James A. Davidson ("Davidson"), in the proportion of 87.5% to Hartman and 12.5% to Davidson, an overriding royalty interest equal to 11.71875% of all oil, gas and casinghead gas and gasoline produced, saved and marketed from the Eumont Gas Pool interval only, as defined herein, underlying said land, under the provisions of said lease.

With respect to the 2.34375% overriding royalty interest retained by Blake in the Eumont Gas Pool interval, Blake agrees that if either Hartman or Davidson acquires any operating rights under said lease insofar as it covers the Eumont Gas Pool interval underlying said lands, said overriding royalty interest shall be subject to any pooling, communitization or other agreement

RECORDED

MISC 527 PAGE 606

entered into for the purpose of forming a well spacing or proration unit, under the laws of the State of New Mexico or the rules or regulations of the New Mexico Oil Conservation Division, to which said land, or any part thereof, may have previously been or may hereafter be committed. In such event, the overriding royalty interest retained by Blake in the Eumont Gas Pool interval, as defined herein, shall be computed and paid on the basis of the applicable oil, gas or other hydrocarbon substances allocated to said land and interval under and pursuant to the provisions of any such agreement.

This assignment and conveyance is made without warranty of title, either express or implied.

EXECUTED this 23 day of FEBRUARY, 1990.

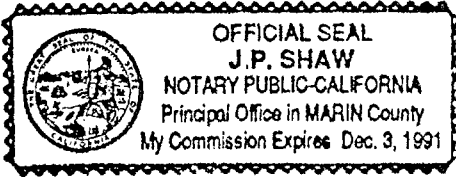
TUPPER ANSEL BLAKE, JR.

STATE OF CALIFORNIA)
COUNTY OF MARIN)

The foregoing instrument was acknowledged before me this 23 day of February, 1990, by TUPPER ANSEL BLAKE, JR.

[Signature]
Notary Public

My Commission Expires:
12-3-91



KOSTAOR/1823

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

MAY 18 1990

at 11:39 o'clock A. M
and recorded in Book 527
Page 605
Shirley Hooper, Lea County Clerk
By [Signature] Deputy



62851

62852

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

Reference is made to the fact that Sim K. Sims and Stephen C. Sims, Co-Trustees of the Stephen S. Chandler Revocable Trust ("the Trustees") own an overriding royalty interest equal to 14.0625% of all oil, gas and casinghead gas and gasoline produced, saved and marketed from the following lands in Lea county, New Mexico:

Township 21 South, Range 36 East, N.M.P.M.

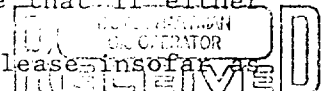
Section 5: N/2 SE/4

under the terms of State of New Mexico Oil and Gas Lease B-2456 from the State of New Mexico, as lessor, to Stephen Chandler, as lessee, dated January 24, 1934. Said overriding royalty interest is a portion of the overriding royalty interest which was reserved in that certain Contract for Assignment of Oil and Gas Lease dated June 12, 1935, between Stephen Chandler and Margaret Chandler, his wife, and R. Olsen, recorded in Book 13, page 106 of the records of Lea County, New Mexico.

The Trustees desire to assign to the parties named below a portion of said overriding royalty interest insofar as it pertains to the Eumont Gas Pool interval only, being defined as the stratigraphic equivalent of the interval from 2,710 feet down to 3,710 feet below the surface of the ground, as found in the Chevron USA, Inc. - H. T. Orcutt 'NCT' A No. 1 well located in Unit N of Section 5, T-21-S, R-36-E, Lea County, New Mexico, leaving the Trustees with a 4.3125% overriding royalty interest as to the Eumont Gas Pool interval in said lands.

In accordance with said intent, the Trustees, grant, assign and convey to Doyle Hartman ("Hartman") and James A. Davidson ("Davidson"), in the proportion of 87.5% to Hartman and 12.5% to Davidson, an overriding royalty interest equal to 9.75% of all oil, gas and casinghead gas and gasoline produced, saved and marketed from the Eumont Gas Pool interval only, as defined herein, underlying said land, under the provisions of said lease.

With respect to the 4.3125% overriding royalty interest retained by the Trustees in the Eumont Gas Pool interval, the Trustees agree that if either Hartman or Davidson acquires any operating rights under said lease, insofar as it covers the Eumont Gas Pool interval underlying said lands, said overriding



MISC 527 PAGE 608

royalty interest shall be subject to any pooling, communitization or other agreement entered into for the purpose of forming a well spacing or proration unit, under the laws of the State of New Mexico or the rules or regulations of the New Mexico Oil Conservation Division, to which said land, or any part thereof, may have previously been or may hereafter be committed. In such event, the overriding royalty interest retained by the Trustees in the Eumont Gas Pool interval, as defined herein, shall be computed and paid on the basis of the applicable oil, gas or other hydrocarbon substances allocated to said land and interval under and pursuant to the provisions of any such agreement.

This assignment and conveyance is made without warranty of title, either express or implied.

EXECUTED this 8TH day of MARCH, 1990.

CO-TRUSTEES OF THE STEPHEN S. CHANDLER
REVOCABLE TRUST:

Sim K. Sims
Sim K. Sims, Trustee

Stephen C. Sims
Stephen C. Sims, Trustee

STATE OF Oklahoma)
)
COUNTY OF Oklahoma)

The foregoing instrument was acknowledged before me this 8TH day of March, 1990, by SIM K. SIMS, Co-Trustee of the Stephen S. Chandler Revocable Trust.

Robin R. Warner
Notary Public

My Commission Expires:

7/22/93

MISC 527 PAGE 609

STATE OF Oklahoma)
COUNTY OF Oklahoma)

The foregoing instrument was acknowledged before me this 8th day of March, 1990, by STEPHEN C. SIMS, Co-Trustee of the Stephen S. Chandler Revocable Trust.

Robin R. Warner
Notary Public

My Commission Expires:

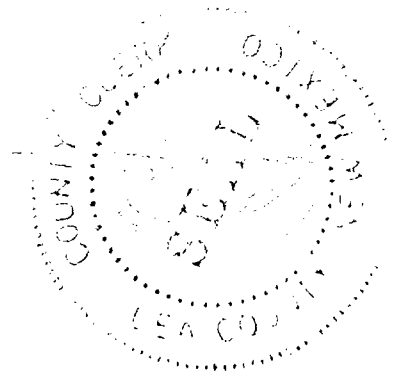
1/22/93

KOSTAOR/1823

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

MAY 18 1990

at 11:39 o'clock A. M
and recorded in Book 527
Page 607
Shirley Hooper, Lea County Clerk
By Ann H. H. H. Deputy



62852

Koch-State "A"

63445

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

Reference is made to the fact that Five States 1990-A, Ltd., a Texas Limited Partnership, ("Five States") owns an overriding royalty interest equal to 9.375% of all oil, gas and casinghead gas and gasoline produced, saved and marketed from the following lands in Lea County, New Mexico:

Township 21 South, Range 36 East, N.M.P.M.

Section 5: N/2 SE/4

under the terms of State of New Mexico Oil and Gas Lease B-2456 from the State of New Mexico, as lessor, to Stephen Chandler, as lessee, dated January 24, 1934. Said overriding royalty interest is a portion of the overriding royalty interest which was reserved in that certain Contract for Assignment of Oil and Gas Lease dated June 12, 1935, between Stephen Chandler and Margaret Chandler, his wife, and R. Olsen, recorded in Book 13, page 106 of the records of Lea County, New Mexico.

Five States desires to assign to the parties named below a portion of said overriding royalty interest insofar as it pertains to the Eumont Gas Pool interval only, being defined as the stratigraphic equivalent of the interval from 2,710 feet down to 3,710 feet below the surface of the ground, as found in the Chevron USA, Inc. - H. T. Orcutt 'NCT' A No. 1 well located in Unit N of Section 5, T-21-S, R-36-E, Lea County, New Mexico, leaving Five States with a 2.8750% overriding royalty interest as to the Eumont Gas Pool interval in said lands.

In accordance with said intent and for and in consideration of Ten & No/100 Dollars and other good and valuable consideration, Five States 1990-A, Ltd., a Texas Limited Partnership, hereby GRANTS, ASSIGNS and CONVEYS to Doyle Hartman ("Hartman") and James A. Davidson ("Davidson"), in the proportion of 87.5% to Hartman and 12.5% to Davidson, an overriding royalty interest equal to 6.5000% of all oil, gas and casinghead gas and gasoline produced, saved and marketed from the Eumont Gas Pool

interval only, as defined herein, underlying said land, under the provisions of said lease.

With respect to the 2.8750% overriding royalty interest retained by Five States in the Eumont Gas Pool interval, Five States agrees that said overriding royalty interest shall be subject to any pooling, communitization or other agreement entered into for the purpose of forming a well spacing or proration unit, under the laws of the State of New Mexico or the rules or regulations of the New Mexico Oil Conservation Division, to which said land, or any part thereof, may have previously been or may hereafter be committed. In such event, the overriding royalty interest retained by Five States in the Eumont Gas Pool interval, as defined herein, shall be computed and paid on the basis of the applicable oil, gas or other hydrocarbon substances allocated to said land and interval under and pursuant to the provisions of any such agreement.

This assignment and conveyance is made without warranty of title, either express or implied.

EXECUTED this 30th day of May, 1990.

Five States 1990-A, Ltd., a Texas Limited Partnership

by: Jim Gibbs
Jim Gibbs, General Partner

STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 30th day of May, 1990, by Jim Gibbs, General Partner of Five States 1990-A, Ltd., a Texas Limited Partnership.

Ann G. McConville

Notary Public

My Commission Expires:

7-29-93

