DICKERSON, FISK & VANDIVER

ATTORNEYS AT LAW

SEVENTH & MAHONE / SUITE E ARTESIA, NEW MEXICO 88210 (505) 746-9841

CHAD DICKERSON JOHN PISK DAVID R. VANDIVER REBECCA REESE DICKERSON

March 1, 1988

Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Michael E. Stogner

Case No. 9317 Re:

Sunny Side State Unit

Chaves County, New Mexico

Received
Othe hearing
3/2/88

Dukenon

Gentlemen:

The Application of Yates Petroleum Corporation for Approval of a Unit Agreement for the above Unit originally requested that 11,189.87 acres be committed to said unit. The Applicant hereby requests that the Application be deemed amended to delete $\rm E/2$ E/2, W/2 NE/4 Section 24, Township 10 South, Range 26 East, N.M.P.M., and All Sections 7, 18 and 19, Township 10 South, Range 27 East, N.M.P.M., from such unit. The unit will now consist entirely of state lands.

This matter is set for hearing on March 2, 1988.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

CD:pvw

cc: Ms. Kathy Colbert







SLO REF NO. OG-690

Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

March 8, 1988

Dickerson Fisk & Vandiver ATTN: Mr. Chad Dickerson Seventh & Mahone/Suite E Artesia, New Mexico 88210

Re: Proposed Sunny Side State Unit Chaves County, New Mexico

Pay OCH 3/7/88

Gentlemen:

This office has reviewed the unexecuted copy of unit agreement for the proposed Sunny Side State Unit, Chaves County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands and has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases, until final approval and an effective date have geen given. Also, any well commenced prior to the effective date of this agreement which penetrates its objective horizon prior to said effective date shall not be construed as the initial test well.

When submitting your agreement for final approval please submit the following:

- 1. Application for formal approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
- 2. All ratifications from the lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
- 3. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
- 4. Your filing fee in the amount of thirty dollars (\$30.00

Dickerson, Fisk & Vandiver March 7, 1988 Page 2

Dollars) has been received.

5. On Exhibits "A" and "B" Tract No. 17, the correct lease No. should be LG-7999. Also, please show the correct lease assignment numbers as written in your copy of Exhibit "B".

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: Dople Mus

FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5744

WRH/FOP/pm

cc: OCD-Santa Fe, New Mexico

STATE OF NEW MEXICO



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

March 14, 1988

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87501 (505) 827-5800

Mr. Chad Dickerson Dickerson, Fisk & Vandiver Attorneys at Law	Re:	CASE NO	9317 R-3612
Beventh and Mahone, Suite E Artesia, New Mexico 88210		Applicant:	
		Yates Petrol	eum Corporation
Dear Sir:			
Enclosed herewith are two cop Division order recently enter	ies o	f the above-r the subject	eferenced case.
Sincerely,			
Florene Davidson			
FLORENE DAVIDSON OC Staff Specialist			
Copy of order also sent to:			
Hobbs OCD X Artesia OCD X Aztec OCD			,
Other William Cline, Ernest	Szabo	•	

SLO REF NO OG-930



W.R. HUMPHRIES COMMISSIONER





Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

November 4, 1988

Yates Petroleum Corporation Attn: Ms. Kathy H. Colbert 105 South Fourth Street Artesia, New Mexico 88210

> Re: Sunny Side State Unit Chaves County, New Mexico

Gentlemen:

This office is in receipt of your letter of October 24, 1988, requesting a six-month extension from November 17, 1988, within which to commence the second test well on the Sunny Side State Unit.

Please be advised that the Commissioner of Public Lands has this date approved the above request.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES COMMISSIONER OF PUBLIC LANDS

BY: Coyle Mando, Director Oil and Gas Division (505) 827-5744

WRH/FOP/pm encls. cc: OCD

MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

S. P. YATES CHAIRMAN OF THE BOARD

May 2, 1988

New Mexico Oil and Gas Division P. O. Box 2088 Santa Fe, New Mexico 87507

Attention: Mr. William LeMay

Re: Sunny Side State Unit Chaves County, New Mexico

> Case No. 9317 Order No. R-8612

Gentlemen:

Enclosed for your files are three copies of Ratification and Joinder executed on behalf of William W. Cline and Mellie L. Cline, his wife, as subsequent joinders to the captioned unit.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Culturt

Kathy H. Colbert

Landman

KHC/mw

Enclosures

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

or successors in interest.	
EXECUTED this 22nd day of Ap	oril , 1988.
WILLIAM W. CLINE	Mellie F. Cline MELLIE L. CLINE, his wife
	Address: P. O. Box 1746 Amarillo, TX 79105-1756
STATE OF TEXAS) : ss COUNTY OF POTTER)	
The foregoing instrument was act of April , 1988, by WILLIAM Whis wife.	knowledged before me this <u>22nd</u> day W. CLINE and <u>MELLIE L. CLINE</u> ,

My commission expires:

5/31/91

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest

or successors in interest.	
EXECUTED this 22nd day of Apr	<u>il</u> , 1988.
Allia Cline WILLIAM W. CLINE	Mellie L. Cline, his wife
	Address: P. O. Box 1746 Amarillo, TX 79105-1756
STATE OF TEXAS)	
COUNTY OF POTTER)	
The foregoing instrument was acknown of April , 1988, by WILLIAM W. Chis wife.	vledged before me this <u>22nd</u> day CLINE and <u>MELLIE L. CLINE</u> ,
My commission expires: 5/31/91	Dois L. White Notary Public

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 22nd day of	April	, 1988.
Allia G. Cline	Mellie L.	CLINE , his wife
		O. Box 1746 marillo, TX 79105-1756
STATE OF TEXAS) : SS COUNTY OF POTTER)		
The foregoing instrument was ac of <u>April</u> , 1988, by WILLIAM his wife.		

My commission expires:

oris L. White





Commissioner of Public Lands

SLO REF NO. OG-748

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

March 30, 1988

Dickerson, Fisk & Vandiver ATTN: Mr. Chad Dickerson Seventh & Mahone, Suite E Artesia, New Mexico 88210

> Re: Approval of Sunny Side State Unit Chaves County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date granted final approval to the Sunny Side State Unit Agreement in Chaves County, New Mexico. The effective date of this agreement is March 30, 1988. Tract Nos. 17, 18, 19, 20, 21, 26, 27, 28, and 29 are not committed at this time. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Enclosed are Five (5) Certificates of Approval.

Your filing fee in the amount of \$480.00 Dollars has been received.

If we may be of further help please do not hesitate to call on us.

Very truly yours.

W R HUMPHRIES

COMMISSIONER OF PUBLIC LANDS

FLOYD O. PRANDO, Director

Oil and Gas Division

(505) 827-5744

WRH/FOP/pm encls.

cc:

OCD GULRAM





Commissioner of Public Lands

SLO REF NO. OG-753

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

April 13, 1988

Yates Petroleum Corporation ATTENTION: Ms. Kathy H. Colbert 105 South Fourth Street Artesia, New Mexico 88210

> Re: Sunny Side State Unit Chaves County, New Mexico

Gentlemen:

This office is in receipt of your letter of April 6, 1988, together with three originally executed copies each of Ratifications and Joinders from Marsh Operating Company and Samedan Oil Corporation requesting the Subsequent Joinder of interests in Tract Nos. 18, 26, 27, 28 and 29 in the Sunny Side State Unit.

As per Section 23, of the Unit Agreement, the Commissioner of Public Lands has this date approved the Ratifications and Subsequent Joinders of Marsh Operating Company and Samedan Oil Corporation. Please be advised that Tract No 18 is now fully committed and Tract Nos. 26, 27, 28 and 29 are partially committed to the unit agreement. These subsequent joinders will be effective as of the first day of the month following the approval by the Commissioner and the filing with the Division of these instruments.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES

COMMISSIONER OF PUBLIC LANDS

BY:

FLOYD O. PRANDO, Director

Oil and Gas Division (505) 827-5744

WRH/FOP pm

encls.

00:

OCD-Santa Fe. New Mexico

GULRAM

TRD-0il and Gas Processing





SLO REF NO. OG-771

Commissioner of Public Lands
April 29, 1988

P.O. BOX 1148 SANTA FE. NEW MEXICO 87504-1148

Yates Petroleum Corporation ATTENTION: Ms. Kathy H. Colbert 105 South Fourth Street Artesia, New Mexico 88210

Re: Subsequent Joinder
Sunny Side State Unit
Chaves County, New Mexico

Gentlemen:

This office is in receipt of your letter of April 25, 1988, together with three originally executed copies each of Ratifications and Joinders to the Sunny Side State Unit from William W. Cline and Mellie L. Cline, his wife requesting the Subsequent Joinder of interests in Tract Nos. 26, 27, 28 and 29 in the Unit.

As per Section 23, of the Unit Agreement, the Commissioner of Public Lands has this date approved the Ratifications and Subsequent Joinders of William W. Cline and Mellie L. Cline. Please be advised that Tract Nos. 26, 27, 28, and 29 are now fully committed to the Sunny Side State Unit. These Subsequent Joinders will be effective as of the first day of the month following the approval by the Commissioner and the filing with the Division of these instruments.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES COMMISSIONER OF PUBLIC LANDS

BY: Sorph & Phicae, FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5744

WRH/FOP/pm encls.

cc: OCD-Santa Fe, New Mexico

GULRAM

TRD-Oil and Gas Processing

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY

TREASURER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

April 19, 1988

New Mexico Oil Conservation P. O. Box 2088 Santa Fe, New Mexico 87507

Attention: William LeMay

Re: Sunny Side State Unit Chaves County, New Mexico Case No. 9317 Order No. R-8612

Gentlemen:

Enclosed for your files are three (3) copies of the following Ratifications and Joinders as subsequent joinders to the captioned unit:

- 1. Samedan Oil Corporation
- 2. Marsh Operating Company

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Kathy H. Colbert

Landman

KHC/bp

Enclosures

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shalsdl be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 3/ day of March, 1988.

SAMEDAN OIL CORPORATION

By

George 1. DeMare

Title Division General Manager

Address: 10 Desta Drive Midland, Texas 79705

STATE OF TEXAS)	
COUNTY OF Midland)	.at
The foregoing instrument woof March, 1988, by	as acknowledged before me this 3/ day George L. DeMare , Division General Manager
for SAMEDAN OIL CORPORATION, a	Delaware , corporation, on behalf
of said corporation.	0/10/11
My commission expires: //-/9-90	Motary Public
	Harolyn Chathan

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

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This Ratification and Joinder of Unit Agreement shalsdl be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 3/day of March, 1988.

SAMEDAN OIL CORPORATION

By

George 1. DeMare

Title Division General Manager

Address: 10 Desta Drive

Midland, Texas 79705

STATE OF TEXAS

: ss

COUNTY OF Midlend)

The foregoing instrument was acknowledged before me this 3/ day of March., 1988, by George L. DeMare, Division General Manager for SAMEDAN OIL CORPORATION, a Delaware corporation, on behalf of said corporation.

My commission expires:

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AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of	April , 1988.
	MARSH OPERATING COMPANY By Attorney-in-Fact
Address:	P. O. 1746 Amarillo, Texas 79105

STATE OF TEXAS)
	: SS
COUNTY OF POTTER)
The foregoing ins	strument was acknowledged before me this 4th day
of April	, 1988, by William W. Cline,
Attorney-in-Fact	for Marsh Operating Company, a Texas
partnership.	
My commission expires:	Doris L. White
5/3//9/	Notary Public

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED this 4th day of	<u>April</u> , 1988.
	MARSH OPERATING COMPANY By Attorney-in-Fact
Address	: P. O. 1746 Amarillo, Texas 79105
STATE OF TEXAS)	
county of <u>potter</u>)	

The foregoing instrument was acknowledged before me this _4th_

Attorney-in-Fact

My commission expires:

partnership.

__, 1988, by <u>William W. Cline,</u>

___ for Marsh Operating Company, a Texas

AND

UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the SUNNY SIDE STATE UNIT, County of Chaves, State of New Mexico, dated February 4, 1988, in form approved on behalf of the Secretary of the Interior and the Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering the lands within the Unit Area in which the undersigned may be found to have an oil and gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her or its heirs, devisees, executors, assigns or successors in interest.

EXECUTED	this 4th day of	April	, 1988.
		By dolla	RATING COMPANY
	Advoca	Attorne	y-in-Fact

Amarillo, Texas 79105

STATE OF TEXAS

: ss

COUNTY OF POTTER

The foregoing instrument was acknowledged before me this

The foregoing instrument was acknowledged before me this 4th day of April , 1988, by William W. Cline, Attorney-in-Fact for Marsh Operating Company, a Texas partnership.

My commission expires:

Notary Public

MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY

DENNIS G. KINSEY TREASURER

105 SOUTH FOURTH STREET

ARTESIA, NEW MEXICO 88210

May 25, 1989 TELEPHONE (505) 748-1471

9317

MECETVED

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. William LeMay

MAY 25 1989

OIL CONSERVATION DIV. SANTA FE

Re: Sunny Side State Unit Chaves County, New Mexico

Gentlemen:

Enclosed for your files is an executed Ratification and Joinder from Yates Petroleum Corporation covering Tracts 19, 20, and 21 in the captioned unit. Also enclosed are revised pages to the Agreements, which will reflect revised ownership of said tracts due to the Subsequent Joinder.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Kathy H. Colbert

Landman

KHC:blf

Enclosures

CONSENT AND RATIFICATION

UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

FOR THE SUNNY SIDE STATE UNIT

CHAVES, NEW MEXICO

The undersigned, (whether one or more) hereby acknowledges receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Sunny Side State Unit embracing lands situated in Chaves County, New Mexico, which said Agreement is dated February 4, 1988, and acknowledged that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold interests being committed to said Unit Agreement and Unit Operating Agreement do hereby consent to said Unit Agreement and Unit Operating Agreement and ratify all the terms and provisions thereof, exactly the same as if the undersigned has executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgements.

YATES PETROLEUM CORPORATION

	Title attorney-in- Fact 105 South Fourth Street
	Artesia, New Mexico
COUNTY OF EDDY)	ss
The foregoing of April . For YATES PETROLEUM CORRECTION.	instrument was acknowledged before me this Jet day 1989, by John A. Typics, attorney in Jack PORATION, New Mexico corporation, on behalf of said
My commission expires:	Motary Public

EXHIBIT A-2 To Unit Operating Agreement SUNNY SIDE STATE UNIT Chaves County, New Mexico

Land Description	No of Acres	Serial No. &	Basic Royalty Ownership %	Lessee of Record	Overriding Royalty	Working Interest Owner
8.T10 Sec	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - 100%
19.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
20.T10S-R26E Sec. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
21.T10S-R26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
22.T10S-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
23.T10S-R26E Sec. 9: E/2NW/4, SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	n None	Apache Corporation - 100%
24.T10S-R26E Sec. 1: Lot 1, SE/4NE/4 Revised 3/23/88 Revised 5/10/89	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company - 100%

	No of	erial N	pl		Overriding	Working Interest
Land Description	Cr	p. Date	wnership	Lessee of Record	alty	E T T T T T T T T T T T T T T T T T T T
18.T10S-R26E Sec. 16: E/2SW/4	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - 100%
19.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
20.T10S-R26E Sec. ll: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
21.T10S-R26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
22.T10S-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
23.T10S-R26E Sec. 9: E/2NW/4, SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%
24.T10S-R26E Sec. 1: Lot 1, SE/4NE/4 Revised 3/23/88 Revised 5/10/89	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company - 100%

MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986 CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON

S. P. YATES

SECRETARY
DENNIS G. KINSEY
TREASURER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

November 15, 1989

New Mexico Oil & Gas Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87503-2088

Attention: William J. LeMay

RE: Sunnyside State Unit Chaves County, New Mexico

Gentlemen:

The exhibits to the captioned unit have been revised several times since its approval. We feel these revised pages have already been furnished to you, however, we want to make sure your files are complete.

Accordingly, enclosed are the following copies:

- 1) Exhibit B to the Unit Agreement
- 2) Exhibits A-1 and A-2 to the Unit Operating Agreement.

Please substitute these into your copies.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Kathy H. Colbert

Landman

KHC/cp

Enclosures

ract #		erial N	asic Roya		Overriding	Working Interest
Land Description	Acres	Exp. Date	Ownership %	Lessee of Record	Royalty	Owner
1. 510S-R26E Sec. 1: Lots 3,4, S/2NW/4, S/	480.27	LG-5229-1 4/1/88	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%
Sec. 4: N/2SW/4, Sec. 4: N/2SW/4, SW/4SW/4, NE/4SE/4, SW/4SE/4	200.00	LG-5231 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
3. T10S-R26E Sec. 5: Lot 1, s/2NE/4, NW/4SW/4, SE/4SW/4, SE/4SW/4, Sec. 9: NW/4NW/4,	600.06 SE/4 SW/4,	LG-5232 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
1. T10S-R26 Sec. 10: N/2, NW/4SW/4, S/2SW/4,	600.00	LG-5233 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%
5. T10S-R26E Sec. ll: NW/4, W/2SW/4, SE/4SW/4, NE/4SE/4	320.00	LG-5234 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
6. T10S-R26E Seč. 13: SE/4, SW/4NE/4, N/2NE/4, W/2W/2, NE/4NW/4,	520.00	LG-5235-1 4/1/88	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%

Tract # Land Desc 1. T10S-R Sec.	cription	No of Acres 480.27	Serial No. & Exp. Date LG-5229-1 4/1/88	Basic Royalty Ownership % State of NM 12.5%	Lessee of Record Apache Corporation	1 1	Overriding Royalty None
T10S-R Sec.	R26E 4: N/2SW/4, SW/4SW/4, NE/4SE/4, SW/4SE/4	200.00	LG-5231 4/1/88	State of NM 12.5%	Yates Petro Corporation	Petroleum ation	trolenm None ion
Sec. Sec.	R26E 5: Lot 1,	600.06 SE/4 SW/4,	LG-5232 4/1/88	State of NM 12.5%	Yates Petro Corporation	etroleum	etroleum None ution
4. T10S-R Sec. 1	R26 10: N/2, NW/4SW/4, S/2SW/4, SE/4	600.00	LG-5233 4/1/88	State of NM 12.5%	Yates P Corpora	Petroleum ation	etro tion
5. T10S-R Sec. 1	R26E 11: NW/4, W/2SW/4, SE/4SW/4, NE/4SE/4	320.00	LG-5234 4/1/88	State of NM 12.5%	Yates Petro Corporation	Petroleum	
Sec. 1	R26E 13: SE/4, N/2NE/4, N/2W/2, NE/4NW/4, SE/4SW/4	520.00	LG-5235-1 4/1/88	State of NM 12.5%	Apache	Corporation	Corporation None

MTract # BLand Descriptio		Acres	Exp. Date	Ownership &	Lessee of Record	Royalty	Owner threetese
7. T10S-R26E Sec. 14: SW/ N/2 SW/ N/2 SW/ SW/ SW/ SW/ SW/	E/4, /4, /4, /4, /4,	360.00	LG-5236 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	ហហហហ
8. T10S-R26E Sec. 15: All		640.00	LG-5237 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
9. T10S-R26E Sec: 16: N/2 W/2 SE/	/4,	560.00	LG-5238 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	25 5 5
10.T10S-R26E Sec. 24: N/2 SW/ SW/ W/2	/4, 1/4,	360.00	LG-5239 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	
11.T10S-R27E Sec. 6: Lot 4,5 S/2	, 2, 3, 7,	636.39	LG-5241 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%

SE/ E/2 SE/

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hand Description	No of Acres	Exp. Date	Basic Royalty Ownership %	Lessee of Record	Royalty	Owner Owner	
08-R26E	120.00	G-54 /1/8	State of NII 12.5%	Apache Corporation	None	Apache Corporation - 100%	
13.T10S-R26E Sec. 1: Lot 2, SW/4NE/4	80.07	LG-7421-2 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%	
14.T10S-R26E Sec. 2: S/2	320.00	I ₁ G-7422-1 3/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation Yates Petroleum Corporation- Yates Drilling Company Abo Petroleum Corporation - Myco Industries, Inc.	-12.5 -12.5
15.T10S-R26E Sec. 3: S/2	320.00	LG-7423-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation - Yates Petroleum Corporation-Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc	-12.5% -12.5% -12.5%
16.T10S-E26E Sec. 10: NE/4SW/4	40.00	LG-7424-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.	1 1 1 1 50
17.T1CS-R26E 5 . 4: SE/4SE/4, SE/4SW/4, UW/4SE/4	120.00	LG-7999 3/1/90	State of NM 12.5%	Chevron USA Inc.	None	Chevron USA Inc 100%	
Sec. 9: N\SE, Sec. 9: N\SE, SESE, NWNE	200,00	I.C-7424-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation -:	100.0%

.T10S-R26E Sec. 4: SE/4SE/4, SE/4SW/4, NW/4SE/4	T10S-R26E 240 Sec. 9: N/2SE/4, SE/4SE/4, NW/4NE/4 Sec 10: NE/4SW/4 Cec. 11: NE/4SW/4	.T10S-R26E 32	32. Sec. 2: S/2	1 T10S-R26E 8 Sec. 1: Lot 2, SW/4NE/4	12.T10S-R26E 12: Sec. 12: N/2NW/4, SE/4NW/4	Third Description Act
.00	• 00	0.00	0.00	0.07	0.00	r o f
LG-7999 3/1/90	LG-7424-1 1/1/90	LG-7423-1 1/1/90	LG-7422-1 1/1/90	LG-7421-2 1/1/90	LG-5412-1 6/1/88	Serial No. & Exp. Date
State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	Basic Royalty Ownership %
Chevron USA Inc. None	Apache Corporation None	Apache Corporation None	Apache Corporation None	Apache Corporation None	Apache Corporation None	Overriding Lessee of Record Royalty
Chevron USA Inc 100%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation - 100%	Apache Corporation - 100%	Working Interest Owner

and Description	No of Acres	Serial No. & Exp. Date	Basic Royalty Ownership %	Lessee of Record	Overriding Royalty	Working Interest
8.T10S-R26E Sec. 16: E/2SW/4	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - 100%
19.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
0.TlOS-R26E Sec. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
1.T10S-F26E S-c. 14: M/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
2.T ¹ 0S-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
3.T10S-R26E Sec. 9: E/2NW/4, Sec. 9: SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%
1.330S-R26E Sec. 1: Lot 1, SE/4NE/4 Fevised 3/23/88 Revised 5/10/89	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company - 100%

Page 4 of 5

7 Tlos-F	2 T10S-F Sec.	2 T10s-1 Sec.	2 T108-1	2'.T108-1 Sec.	1 Tlos-1 Sec.	18.T10S-1	.ract #
R26E 1: Lot 1, SE/4NE/4	R26E 9: E/2NW/4, SW/4NW/4	R26E 8: All	R26E 14: N/2NE/4, SE/4NE/4, N/2SE/4	R26E 11: NE/4, W/2SE/4, SE/4SE/4	R26E 9: S/2NE/4, NE/4NE/4	R26E 16: E/2SW/4	cription
80.02	120.00	640.00	200.00	280.00	120.00	80.00	No of Acres
V-2331 6/1/92	LH-2613-1 9/1/93	LH-2612 9-1-93	LH-1860-1 10/1/92	LH-1859-1 10/1/92	LH-1858-1 10/1/92	LG-8000 3/1/90	Serial No. & Exp. Date
State of NM 16.67%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	Basic Royalty Ownership %
Elk Oil Company	Apache Corporation	Yates Petroleum Corporation	Texaco Producing Inc.	Texaco Producing Inc.	Texaco Producing Inc.	Samedan Oil Corporation	Lessee of Record
None	n None	None	None	None	None	None	Overriding Royalty
Elk Oil Company - 100%	Apache Corporation - 100%	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%	Texaco Producing Inc 100%	Texaco Producing Inc 100%	Texaco Producing Inc 100%	Samedan Oil Corporation - 100%	Working Interest Owner

Page 5 of 5

es County, New M	TO Unit Agreement	EXHIBIT B
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29.T10S-126E Sec. 5: NE/4SW/4, SW/4SW/4	28.T10S-R26E Sec. 24: SE/4NW/4	27.T10S-R26E Sec. 14: SE/4NW/4, SE/4SW/4	26.T10:26E Sec. 13: SE/4NW/4, SE/4NE/4, NE/4SW/4	25.T10 R26E Sec 12: E/2, SW/4, SW/4NW/4	Tract Land D :cription
80.00	40.00	80.00	120.00	520.00	No of Acres
VB-113 6/1/92	V-2336 6/1/92	V-2334 6/1/92	V-2333 6/1/92	V-2332 6/1/92	Serial No. & Exp. Date
State of NM 16.67%	State of NM 16.67%	State of NM 16.67%	State of NM 16.67%	State of NM 16.67%	Basic Royalty Ownership %
W. W. Cline	W. W. Cline	W. W. Cline	W. W. Cline	Apache Corporation	Lessee of Record
None	None	None	None	None	Overriding Royalty
Marsh Operating - 100%	Marsh Operating - 100%	Marsh Operating - 100%	Marsh Operating - 100%	Apache Corporation - 1	Working Interest Owner

RECAPITULATION

TOTAL 8,836.81 Acres State Lands

100.00%

ATTACHED TO AND MADE A PART OF OPERATING AGREEMENT DATED FEBRUARY 4, 1988, BETWEEN YATES PETROLEUM CORPORATION, "OPERATOR", AND COMPANY ET AL, "NON-OPERATORS, COVERING LANDS IN TOWNSHIP 10 SOUTH, RANGES 26 & 27 EAST, CHAVES COUNTY, NEW MEXICO.

SUNNY SIDE UNIT OPERATING AGREEMENT EXHIBIT A-1

NAME	ACRES	% OF UNIT	TEST WELL PARTICIPATING ACRES	TEST WELL PARTICIPATING PERCENTAGE	INITIAL TEST WELL BPO	INITIAL TEST WELL APO	SUBSEQUENT
			,	21 000450	22 01 02 0	22 016226	•
Yates Petroleum Corporation	1839.1125	20.811950%	1839.1125	21.098459	22.016226	22.016226	
	1239.1125	14.022170	1239.1125	14.215206	14.215206	14.215206	
Abo Petroleum Corporation	1239.1125	14.022170	1239.1125	14.215206	14.215206	14.215206	
Myco Industries, Inc.	1239,1125	14.022170	1239,1125	14.215206	14.215206	14.215206	
Anache Corporation	2680.3400	30.331534	2680.3400	30.749093	30.749093	30.749093	
Marsh Operating	320.0000	3.621216	320.0000	3.671067	3.671067	3.671067	
Elk Oil Company	80.0200	0.905530	80.0200	0.917996	0.917996	0.917996	
Samedan Oil Corporation	80.0000	0.905304	80.0000	0.917767	F/0	F/0	
Chevron USA, Inc.	120.0000	1.357956					
	8836.8100	100.000000%	8716.8100	100.000000%	100.000000%	100.000000%	
Yates Petroleum Corporation	1839.1125	20.811950					21.098459
Yates Drilling Company	1239.1125	14.022170					14.215206
Abo Petroleum Corporation	1239.1125	14.022170					14.215206
Myco Industries, Inc.	1239.1125	14.022170					30.749093
Marsh Operating	320.0000	3.621216					3.671067
Elk Oil Company	80.0200	0.905530					0.917996
Samedan Oil Corporation	80.0000	0.905304					0.91//6/
Chevron USA, Inc.	120,0000	1.357956					100.000000
	0000						

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Revised 3/29/88 Revised 7/5/88 Revised 7/29/88 Revised 8/17/88

SUNNY SIDE UNIT OPERATING AGREEMENT EXHIBIT A-1

	Samedan Oil Corporation	Chevron USA, Inc.	Elk Oil Company	Marsh Operating	Apache Corporation	Myco Industries, Inc.	Abo Petroleum Corporation	Yates Drilling Company	Yates Petroleum Corporation	NAME
8836.8100	80.0000	120.0000	80.0200	320.0000	2280.3400	1339.1125	1339.1125	1339.1125	1939.1125	ACRES
100.000000%	0.905304	1.357956	0.905530	3.621216	25.805013	15.153800	15.153800	15.153800	21.943581%	% OF UNIT
8636.8100		1	80.0200	320.0000	2280.3400	1339.1125	1339.1125	1339.1125	1939.1125	TEST WELL PARTICIPATING ACRES
100.000000%		ı	0.926499	3.705072	26.402572	15.504712	15.504712	15.504712	22.451721	TEST WELL PARTICIPATING PERCENTAGE
100.000000%	1	ł	0.926499	3.705072	26.402572	15.504712	15.504712	15.504712	22.451721	INITIAL TEST WELL BPO
100.000000%	-	,	0.926499	3.705072	26.402572	15.504712	15.504712	15.504712	22.451721	INITIAL TEST WELL APO
100.0000008	1	ı	0.926499	3.705072	26.402572	15.504712	15.504712	15.504712	22.451721	SUBSEQUENT WELLS

BOOK 23 PAGE 55

EXHIBIT A-2
To Unit Operating Agreement
SUNNY SIDE STATE UNIT
Chaves County, New Mexico

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t #	105-R26E	10S-R26E ec. 4:	T10S-R26E Sec. 5: Sec. 9:	T10S-R26 Sec. 10:	T10S-R26E Sec. 11:	T108-R26E Sec. 13:
ption	Lots 3,4, S/2NW/4, S/2	N/2SW/4, SW/4SW/4, NE/4SE/4, SW/4SE/4	Lot 1, S/2NE/4, NW/4SW/4, SE/4SW/4, NW/4NW/4, SW/4SE/4	N/2, NW/4SW/4, S/2SW/4, SE/4	NW/4, W/2SW/4, SE/4SW/4, NE/4SE/4	SE/4, SW/4NE/4, N/2NE/4, N/2W/2, W/2W/2,
No of Acres	480.27	200.00	600.06 SE/4 SW/4,	600.00	320.00	520.00
Serial No. & Exp. Date	LG-5229-1 4/1/88	LG-5231 4/1/88	LG-5232 4/1/88	LG-5233 4/1/88	LG-5234 4/1/88	LG-5235-1 4/1/88
Basic Royalty Ownership %	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%
Lessee of Record	Apache Corporatio	Yates Petroleum Corporation	Yates Petroleum Corporation	Yates Petroleum Corporation	Yates Petroleum Corporation	Apache Corporation
Overriding Royalty	n None	None	None	None	None	None
Working Interest Owner	Apache Corporation - 100%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Apache Corporation - 100%

EXHIBIT A-2 To Operating Agreement SUNNY SIDE STATE UNIT Chaves County, New Mexico

11.T10S-R27E Sec. 6: Lots 1,2,3, 4,5,6,7, 5/2NE/4, 5E/4NW/4, E/2SW/4, 5E/4	10.T10S-R26E Sec. 24: N/2NW/4, SW/4NW/4, SW/4, W/2SE/4	9. T10S~R26E Sec: 16: N/2, W/2SW/4, SE/4	8. T10S-R26E Sec. 15: All	7. T10S-R26E Sec. 14: SW/4NE/4, N/2NW/4, SW/4NW/4, N/2SW/4, SW/4SW/4, SW/4SW/4,	Tract # Land Description
636.39	360.00	560.00	640.00	360.00	No of Acres
LG-5241 4/1/88	LG-5239 4/1/88	LG-5238 4/1/88	LG-5237 4/1/88	LG-5236 4/1/88	Serial No. &
State of NM 12.5%	Basic Royalty Ownership %				
Yates Petroleum Corporation	Lessee of Record				
None	None	None	None	None	Overriding Royalty
Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%	Working Interest Owner

EXHIBIT A-2 To Unit Operating Agreement SUNNY SIDE STATE UNIT Chaves County, New Mexico

	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
Land Description	Cr	p. Date	wnership %	Lessee of Record	alty_	er
18.T10S-R26E Sec. 16: E/2SW/4	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - l
19.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-
20.T10S-R26E Sec. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-
121.T10S-R26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-
72.T10S-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.
23.T10S-R26E Sec. 9: E/2NW/4, Sec. 9: SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%
24.010S-R26E Sec. 1: Lot 1, SE/4NE/4 Revised 3/23/88 Revised 5/10/89	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company - 100%

To Operating Agreement SUNNY SIDE STATE UNIT Chaves County, New Mexico EXHIBIT A-2

23 ac			To Operating A SUNNY SIDE ST Chaves County, N	Agreement STATE UNIT New Mexico	
Tract # Land Description	No of Acres	Serial No. & Exp. Date	Basic Royalty Ownership %	Overriding Lessee of Record Royalty	iding Working Interest
25.T10S-R26E Sec. 12: E/2, SW/4, SW/4NW/4	520.00	V-2332 6/1/92	State of NM 16.67%	Apache Corporation None	Apache Corporation - 100%
26.T10S-R26E Sec. 13: SE/4NW/4, SE/4NE/4, NE/4SW/4	120.00	V-2333 6/1/92	State of NM 16.67%	W. W. Cline None	Marsh Operating - 100%
27.T10S-R26E Sec. 14: SE/4NW/4, SE/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline None	Marsh Operating - 100%
28.T10S-R26E Sec. 24: SE/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline None	Marsh Operating - 100%
29.T10S-R26E Sec. 5: NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 16.67%	W. W. Cline None	Marsh Operating - 100%

RECAPITULATION

TOTAL 8,836.81 Acres State Lands

100.00%

State of New Mexico





Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

May 19, 1989

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

ATTN: Kathy H. Colbert

RE: Subsequent Joinder

Tracts Nos. 19, 20, and 21

Sunnyside State Unit

Chaves County, New Mexico

Gentlemen:

We have received your letter dated April 25, 1989 wherein you request that Tracts Nos. 19, 20, and 21 be approved as subsequent joinder under the Sunnyside State Unit. We have also received the appropriate Ratification and Joinders and Exhibits in your letters of April 25, 1989 and May 10, 1989, respectively.

The Commissioner of Public Lands has this date approved the above captioned Subsequent Joinder to the Sunny Side State Unit. The effective date for this Subsequent Joinder is June 1, 1989 provided that you have filed "..with the Division of duly executed counterparts of the instrument or instruments committing the interest of such owner to this agreement..." (see Section 23 Unit Agreement).

If we can be of further help, please do not hesitate to call on us.

Very truly yours,

W.R.HUMPHRIES

COMMISSIONER OF PUBLIC LANDS

BY: Graye o Mant

FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5749

cc: OCD - Santa Fe, New Mexico
BLM - Roswell, New Mexico

Oil and Gas Accounting Department

Royalty Management

Unit Name	SUNNY SIDE STATE UNIT - EXPLORATORY
Operator	YATES PETROLEUM CORPORATION
County	CHAVES COUNTY, NEW MEXICO

ed.	Not Committed	Committed	0								
	120.00	871 6 . 81									
€.		80.00	4/22/88	S.J. 5-1-88	NEZSWZ, SWZSWZ S.J. 5-	26E 26E	108	5	c. s.	V-2336 VB-113	28 29
W. W. Cline		χο. 00.	98/22/4	S.J. 5-1-00	SEXNWX, SEXSWX	, 0	108	14	٠ د	23	27
		120.00	4/22/88	,NEXSWX S.J. 5-1-38	SE'NW'Z, SE'ZNE'Z	6	108		٠ د	w	26
acne		520.00	3/15/88		E12, SW12, SW12NW12	6	108		•	23	25
_		30.02	3/15/88		Lot 1, SE NE	6	10S		· S	331	24
Apache Corporation	į	120.00	3/15/88		E-2NW2, SW2NW2	9	108	9	٠ د	\sim	23
Petroleum		640.00	2/26/88		All	9	10S	8	ა	-2612	22
		200.00	4/2/89	12, N12SE12 Sub. Join 6-1-89	NE	9	10S	14	•	-1860-	21
Petroleum		280.00	4/2/89	SE% Sub. Join 6-	E2,S	9	10S	11	•	-185	20
		120.00	4/2/89	Sub. Joinder	IN/S	9	10S	9	ა	H-1858-	19
in Oll Corp		80.00	3/31/88	quent Joinder 5-1-88	Sub	9	, 10S	16	•	8	18
Chevron USA Inc.	120.00	•	•	,NW2SE2	SE\SE SE\SW\	9	108	4	ა	G-799	17
Corpo)	240.00	3/15/88		NE½SW½	9	10S	11			
			•		NE½SW½	9	10S	10			
				1, NWLNE1,	E12SE	9	10S	9	ა	7424-	16
Apache Corporation		320.00	3/15/88		S ¹ / ₂	9	10S	w	ა	7423-	15
Corporati		320.00	3/15/88		S½	9	10S	2	ა	742	14
		80.07	3/15/88		Lot 2,SW\nE\	9	10S	 -	S	7421-	13
		120.00	3/15/88		,SELNW	9	10S	12	ა	5412-	12
שיי		88 636.39	_	4,5,6,7,S\neSE\n\k,E\S\k,SE\2/26,	Lots 1,2,3,4,	7	10S	6	c.s.	LG-5241	11
Petroleum		360.00	2/26/88	SW4, W2SE4	Σ	9	10S	24	S	523	10
Petroleum		560.00	2/26/88		N\2,W\2SW\2,SE\2	9	108	16	• S	523	9
Petroleum			2/26/88			9	10S	15	S	523	∞
Petroleum			1/2/26/88	, SW\n\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	14	9	108	14	ა	5236	, 7
e Corporati			3/15/88	NZNEZ, WZWZ, NEZNWZ, SEZSWZ	SE¼,SW½NE½,N½	9	10S	13	•	23	6
			2/26/88	EZSWZ, NEZSEZ	NW\2,W\2SW\2,SE\2	9	10S	11	S	523	G
Petroleum		600.00	/26,	2SW4, SE4	N½,NW½SW½,S½SI	9	10S	10	٠ د	G-523	4
Petroleum		600.06	/26/	, NWZSWZ, SEZSWZ, SEZ	Lot 1,Sheh,M	9	10S	_ا ن	S	523	ω
Petroleum		200.00		4, NEXSEX, SWXSEX	NZSWZ, SWZSWZ, I	9	10S	4	S	G-523	2
e Corporati		480.27	/15/	52NW4, 54	Lots 3,4,S½NW	6	108	_	S	522	⊢ ,
D LESSEE	RATIFIED	ACKES	DATE	SUBSECTION	SU	RGE.	TWP.	SEC.	TUTION	NO.	TRACT NO.
	ACREAGE	LED	RATIFIED						INSTI-	LEASE	STATE

Unit Name SUNNY SIDE STATE UNIT - EXPLORATORY

Operator County YATES PETROLEUM CORPORATION

CHAVES

CCD: MARCH 11, 1988	DATE APPROVED
March 30 1988	OCC CASE NO. 9317 OCC ORDER NO. R-8612
March 30, 1988	EFFECTIVE
8,836.81	TOTAL ACREAGE
8,836.81	STATE
0	FEDERAL
-0-	INDIA

TINU AREA

COMMISSIONER: March 30, 1988

Section 1:	TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM	
A11	O SOUTH, RANGE 26 EAST, NMP	
	RANGE	
	26	
	EAST,	
	NMPM	•

/2NE/	5/2 S/2 S/2,NE/4NE/4,S/2NE/4	20.40.	Section 2: Section 3: Section 4: Section 5:
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Acres Connitted
Acres Not Connitted

Committment status (5/10/89)

8836.81

Acres Total

Section 10: Section 9:

Section Section 11: 12: A11 A11 A11 A11 A11

Section 13: Section 14:

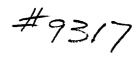
Section 15:

Section 16: Section 24: W/2,W/2SE/4

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM

Section 6: All

State of New Mexico





W.R. HUMPHRIES

COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

October 18, 1990

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Attn: Janet Richardson

Re: Sunnyside State Unit

Chaves County, New Mexico 1990 Plan of Development

Dear Ms. Richardson:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Sunnyside State Unit. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development may exist. You will be contacted at a later date regarding these possibilities.

If we may be of further help, please do not hesitate to contact Clyde Langdale at (505) 827-5791.

Sincerely,

W. R. HUMPHRIES

BY:
Floyd O. Prando, Director
Oil, Gas & Minerals Division

cc: OCD

Unit Corresp.

Unit POD



State of New Mexico Commissioner of Public Lands

W. R. Humphries COMMISSIONER

Advisory Board

George Clark Chairman

Kristin Conniff Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

April 16, 1990

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

ATTN: Ms. Janet Richardson

RE:

Commercial Well Determination

Sunnyside State Unit #2

Gentlemen:

We received your letter, dated March 26, 1990, and enclosed information regarding your determination that the above captioned a commercial well in the Foor Ranch Pre Permian well Pool.

Please be advised that the Commissioner of Public Lands with your determination that this well is commercial.

According to Section 9 of the Unit Agreement, Development for the Sunnyside State Unit must be submitted to the expiration of six months after a commercial well The No. 2 well was completed on May 13, 1989 so the expiration of this six month term was November 13, 1990. submit a Plan of Development for this unit within thirty days.

If you have any questions. please contact Susan Howarth at (505) 827-5791.

Very truly yours,

W. R. HUMPHRIES. COMMISSIONER OF PUBLIC LANDS

BY: Thopshe

FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5749

MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

February 23, 1990

Energy & Minerals Department Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87504

Attention: Mr. William LeMay

Re: Chaves County, New Mexico

Dear Mr. LeMay:

In order to satisfy a new requirement by our attorney, we have revised one tract on the Exhibits for the captioned unit. Unit Tract 29 contains a 3/16 royalty rather than the 1/6 royalty shown and we have revised the Exhibits accordingly.

We have enclosed the revised pages for your files and request that your please substitute same.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Mecea Mauritzan

Mecca Mauritsen Land Analyst

/mm

Enclosures

	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
Land Description	Acres	Exp. Date	Ownership %	Lessee of Record	Royalty	Owner
108-R ec. 1	520.	332	Z	Cor		Apache Corporation - l
26.T10S-R26E Sec. 13: SE/4NW/4, SE/4NE/4, NE/4SW/4	120.00 /4, /4, /4,	V-2333 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
27.T10S-R26E Sec. 14: SE/4NW/4, SE/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
28.T10S-R26E Sec. 24: SE/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
29.T10S-R26E Sec. 5: NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 18.75%	W. W. Cline	None	Marsh Operating - 100%

RECAPITULATION

TOTAL 8,836.81 Acres State Lands 100.00%

EXHIBIT A-2
To Unit Operating Agreement
SUNNY SIDE STATE UNIT
Chaves County, New Mexico

Land Description		No of Acres	Serial No. & Exp. Date	Basic Royalty Ownership %	Lessee of Record	Overriding Royalty	Working Interest Owner
5.T10S-R26E Sec. 12:	SW/4,	520.00	33	Z	ache Corporation	None	Apache Corporation - 100%
26.T10S-R26E Sec. 13: SE/ SE/	SE/4NW/4, SE/4NE/4, NE/4SW/4	120.00	V-2333 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
27.T10S-R26E Sec. 14: SE/.	E/4NW/4, E/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
28.T10S-R26E Sec. 24: SE/	SE/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
29.T10S-R26E Sec. 5: NE/	NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 18.75%	W. W. Cline	None	Marsh Operating - 100%

RECAPITULATION

TOTAL 8,836.81 Acres State Lands 100.00%

MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986

S. P. YATES CHAIRMAN OF THE BOARD

PEYTON YATES EXECUTIVE VICE PRESIDENT

105 SOUTH FOURTH STREET NOV 27 AM 10 02 SECRETARY

DENNIS G. KINSEY TREASURER

ARTESIA. NEW MEXICO 88210

TELEPHONE (505) 748-1471

November 22, 1989

Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico

Attention: Mr. William LeMay

Chaves County, New Mexico

Gentlemen:

At the request of our attorney, during his curative division order work, we have again made revisions to the Exhibits in the Agreements covering the captioned. You will note name changes and overrides are now reflected in the pages.

Accordingly, we have enclosed said revised pages for your files and ask you to substitute same.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Kally W Geral.

Kathy H. Colbert

Landman

KHC:b1f

Enclosures

ATTACHED TO AND MADE A PART OF OPERATING AGREEMENT DATED FEBRUARY 4, 1988
BETWEEN YATES PETROLEUM CORPORATION, "OPERATOR", AND YATES DRILLING COMPANY, ET
AL AS "NON-OPERATORS" COVERING LANDS IN TOWNSHIP 10 SOUTH, RANGES 26 & 27 EAST,
CHAVES COUNTY, NEW MEXICO.

EXHIBIT "A"

I. l. Lands Subject to Agreement:

Township 10 South, Range 26 East, NMPM Section 1: All Section 2: S/2 Section 3: S/2 Section 4: S/2 Section 5: S/2, NE/4NE/4, S/2NE/4 Section 8: All Section 9: All Section 10: All Section 11: All Section 12: All Section 13: All Section 14: All Section 15: All Section 16: All Section 24: W/2, W/2SE/4

Township 10 South, Range 27 East, NMPM Section 6: All Containing 8,836.81 acres, m/l Chaves County, New Mexico

- 2. Depth Restriction: None
- Drilling Unit for First Well:

Proration Unit as established by the New Mexico Oil Conservation Division

II. Percentage Interests of Parties Under the Agreement:

See Page 2 of Exhibit A

III. Addresses of Parties to Which Notices Should be Sent:

Pacific Enterprises Oil Company (USA) P. O. Box 3083 Midland, Texas 79702-3083 ATTN John E. Lodge Samedan Oil Corporation 10 Desta Drive Midland, Texas 79705 ATTN Jack E. Anderson

Texaco Producing Inc.
P. O. Box 2100
Denver, Colorado 80201
ATTN W. S. Lane

Marsh Operating
P. O. Box 1746
Amarillo, Texas 79105
ATTN W.W. Cline

Elk Oil Company Security Nat'l Bank Bldg. Roswell, New Mexico 88201 ATTN Joseph J. Kelly Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88210
ATTN Kathy H. Colbert

ATTACHED TO AND MADE A PART OF OPERATING AGREEMENT DATED FEBRUARY 4, 1988, BETWEEN YATES PETROLEUM CORPORATION, "OPERATOR", AND Y COMPANY ET AL, "NON-OPERATORS, COVERING LANDS IN TOWNSHIP 10 SOUTH, RANGES 26 & 27 EAST, CHAVES COUNTY, NEW MEXICO.

SUNNY SIDE UNIT OPERATING AGREEMENT EXHIBIT A-1

Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc. Pacific Enterprises Oil Company (USA) Marsh Operating Elk Oil Company Samedan Oil Corporation Chevron USA, Inc.	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc. Pacific Enterprises Oil Company (USA) Marsh Operating Elk Oil Company Samedan Oil Corporation Chevron USA, Inc.	NAME
1839.1125 1239.1125 1239.1125 1239.1125 2680.3400 320.0000 80.0200 80.0200 80.0000 120.0000 8836.8100	1839.1125 1239.1125 1239.1125 1239.1125 2680.3400 320.0000 80.0200 80.0200 80.0000 120.0000	ACRES
20.811950 14.022170 14.022170 14.022170 30.331534 3.621216 0.905530 1.357956 100.000000%	20.811950% 14.022170 14.022170 14.022170 30.331534 3.621216 0.9055304 1.357956 100.000000%	% OF UNIT
	1839.1125 1239.1125 1239.1125 1239.1125 2680.3400 320.0000 80.0200 80.0200 80.0000	TEST WELL PARTICIPATING ACRES
	21.098459 14.215206 14.215206 14.215206 30.749093 3.671067 0.917996 0.917767	TEST WELL PARTICIPATING PERCENTAGE
	22.016226 14.215206 14.215206 14.215206 30.749093 3.671067 0.917996 F/O	INITIAL TEST WELL BPO
	22.016226 14.215206 14.215206 14.215206 30.749093 3.671067 0.917996 F/O	INITIAL TEST WELL APO
21.098459 14.215206 14.215206 14.215206 30.749093 3.671067 0.917966 0.917767		SUBSEQUENT

Revised 3/29/88 Revised 7/ 5/88 Revised 7/29/88

Revised 8/17/88 Revised 11-21-89

act #		Serial No. &	Basic Royalty		Overriding	Working Interest
10S-R26E ec. 1: Lots 3,4, ec. 1: S/2NW/4, S	480.	G-5229- /1/88	tate of	pache Corpo	a	Pacific Enterprises Oil - 1 Company (USA)
. T10S-R26E Sec. 4: N/2SW/4, SW/4SW/4, NE/4SE/4, SW/4SE/4,	200.00	LG-5231 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.
. TlOS-R26E Sec. 5: Lot 1, S/2NE/4, NW/4SW/4,	600.06	LG-5232 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.
/4NW/4, /4SE/4	SW/4,					
Sec. 10: N/2, NW/4SW/4, \$/2SW/4, SE/4	600.00	LG-5233 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-12 Yates Drilling Company -12 Abo Petroleum Corporation -12 Myco Industries, Inc12 Apache Corporation -50
Sec. 11: NW/4, W/2SW/4, SE/4SW/4, NE/4SE/4	320.00	LG-5234 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc
Sec. 13: SE/4, N/2NE/4, N/2WE/4, N/2W/2, NE/4NW/4, SE/4SW/4	520.00	LG-5235-1 4/1/88	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - 1 Company (USA) - 1

SE/4NW/4, E/2SW/4, SE/4

Page 2 of 5

**************************************	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
rd D	cre	xp. Date	wnership %	Lessee of Record	<u>yalty</u>	
. T10S-R26E Sec. 14: SW/4NE/4, N/2NW/4, SW/4NW/4, N/2SW/4, SW/4SW/4, SW/4SW/4,	360.00	LG-5236 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - 25% Yates Drilling Company - 25% Abo Petroleum Corporation - 25% Myco Industries, Inc 25%
T10S-R26E Sec. 15: All	640.00	LG-5237 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - 25% Yates Drilling Company - 25% Abo Petroleum Corporation - 25% Myco Industries, Inc 25%
. T10S-R26E Sec: 16: N/2, W/2SW/4, SE/4	560.00	LG-5238 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	2222
0.TlOS-R26E Sec. 24: N/2NW/4, SW/4NW/4, SW/4, W/2SE/4	360.00	LG-5239 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - 25% Yates Drilling Company - 25% Abo Petroleum Corporation - 25% Myco Industries, Inc 25%
1.T10S-R27E Sec. 6: Lots 1,2,3, 4,5,6,7, S/2NE/4,	636.39	LG-5241 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - 25% Yates Drilling Company - 25% Abo Petroleum Corporation - 25% Myco Industries, Inc 25%

} 	nd Description Acres Exp. Date Ownership %	2.T10S-R26E 120.00 LG-5412-1 State of NM Apache Cor Sec. 12: N/2NW/4, 6/1/88 12.5% SE/4NW/4	3.T10S-R26E 80.07 LG-7421-2 State of NM Apache Corpora Sec. 1: Lot 2, 1/1/90 12.5% SW/4NE/4	4.T10S-R26E 320.00 LG-7422-1 State of NM Apache C Sec. 2: S/2 1/1/90 12.5%	5.T10S-R26E 320.00 LG-7423-1 State of NM Apache C Sec. 3: S/2 1/1/90 12.5%		6.T10S-R26E 40.00 LG-7424-1 State of NM Apache C Sec. 10: NE/4SW/4 1/1/90 12.5%
Overriding	<u>alty</u>	tion None	Thornton 1.90% Donald R. Curry Deidva P. Thornton 1.90%	Corporation None	Corporation None	ration None	
Working Interest	Owner	Pacific Enterprises Oil - 100% Company (USA)	Pacific Enterprises Oil - 100% - Company (USA) - 100%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	

ļ	No of	erial	asic Roya		Overriding	Working Interest
end Description	Acres	Exp. Date	Ownership %	Lessee of Record	Royalty	Owner
6aT10S-R26E Sec. 9: N½SE, SESE, NWNE	200.00	LG-7424-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - 100%
8.T10S-R26E Sec. 16: E/2SW/4	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - 100%
9.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	I.H-1858-1 10/1/92	State of NM 12.5%	Yates Petroleum Corporation	12.5%	Yates Petroleum Corporation -100%
10.T10S-R26E 5cc. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-1 10/1/92	State of NM 12.5%	Yates Petroleum Corporation	12.5%	Yates Petroleum Corporation -100%
21.TLOS-R26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	ĽН-1860-1 10/1/92	State of NM 12.5%	Yates Petroleum Corporation	12.5%	Yates Petroleum Corporation -100%
22.T10S-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
23.T10S-R26E Sec. 9: E/2NW/4, SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - 100%

Revised 3/29/88 Revised 5/10/89 Revised 11-21-89

Tract # Land Description	No of Acres	Serial No. & Exp. Date	Basic Royalty Ownership &	Lessee of Record	Overriding Royalty	Working Interest	
24.T10S-R26E Sec. 1: Lot 1, SE/4NE/4	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company	- 100%
25.T10S-R26E Sec. 12: E/2, SW/4, SW/4NW/4	520.00	V-2332 6/1/92	State of NM 16.67%	Apache Corporation	n None	Pacific Enterprises Oil Company	- 100%
26.T10S-R26E Sec. 13: SE/4NW/4, SE/4NE/4, NE/4SW/4	120.00	V-2333 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%
27.T10S-R26E Sec. 14: SE/4NW/4, SE/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%
28.Tl0S-R26E Sec. 24: SE/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%
29.T10S-R26E Sec. 5: NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%

Revised 11-21-89

RECAPITULATION

Revised 11-21-89

3. T]OS-R26E SHC. 5: SHC. 9: 4. T1OS-R26 Sec. 10:		600.06 SE/4 SW/4,	LG-5232 4/1/88 LG-5233 4/1/88	State of NM 12.5% State of NM 12.5%	Yates Petroleum Corporation	None	o industries, es Petroleum Co petroleum Cor o Industries, es Petroleum Co pes Drilling Co Petroleum Cor
. T10S-R26	SW/4SE/4 N/2,	00.0	G-523 /1/88	tate of N	tes Petrol rporation	None	es Petroleum Corporation- es Drilling Company -
5. T10S-R26E Sec. 11:	SE/4 SE/4 SE/4, NW/4, NW/4, NW/4, NW/4, NW/4, NW/4,	320.00	LG-5234 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	o Industries, Inc che Corporation - es Petroleum Corporation es Drilling Company Petroleum Corporation o Industries, Inc.
o. T10S-R26E Sec. 13:	SE/4, SW/4NE/4, N/2NE/4, N/2W/2, W/2W/2, NE/4NW/4, SE/4SW/4	520.00	LG-5235-1 4/1/88	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - Company (USA) -

SE/4NW/4, E/2SW/4, SE/4

Page 2 of 5

'H #	~.J		. ?	F :	-
nd Description	T10S-R26F Sec. 14: SW/4NE/4,	T10S-R26E Sec. 15: All	T10S-R26E Sec: 16: N/2, W/2SW/4, SE/4	Sec. 24: N/2NW/4, Sw/4NW/4, SW/4, SW/4, W/2SE/4	1.T10S-R27E Sec. 6: Lots 1,2,3, 4,5,6,7, 8/2NE/4,
No of Acres	360.00	640.00	560.00	360.00	636.39
Serial No. & Exp. Date	LG-5236 4/1/88	LG-5237 4/1/88	LG-5238 4/1/88	LG-5239 4/1/88	LC-5241 4/1/88
Basic Royalty Ownership %	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%	State of NM 12.5%
Lessee of Record	Yates Petroleum Corporation	Yates Petroleum Corporation	Yates Petroleum Corporation	Yates Petroleum Corporation	Yates Petroleum Corporation
Overriding Royalty	None	None	None	None	None
Working Interest Owner	Yates Petroleum Corporation - 25% Yates Drilling Company - 25% Abo Petroleum Corporation - 25% Myco Industries, Inc 25%			Yates Petroleum Corporation - 25% Yates Drilling Company - 25% Abo Petroleum Corporation - 25% Myco Industries, Inc 25%	

Tract # I and Description	No of Acres	Serial No. & Exp. Date	Basic Royalty Ownership %	Lessee of Record	Overriding Royalty	Working Interest Owner
72.T10S-R26E Sec. 12: N/2NW/4, SE/4NW/4	120.00	LG-5412-1 6/1/88	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - 100%
Sec. 1: Lot 2, Sec. 1: Sw/4NE/4	80.07	LG-7421-2 1/1/90	State of NM 12.5%	Apache Corporation	Robert L. Thornton - 1.90% Donald R. Curry20% Deidva P. Thornton - 1.90%	Pacific Enterprises Oil - 100% Company (USA)
14.T10S-R26E Sec. 2: S/2	320.00	LG-7422-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%
15.T10S-R26E Sec. 3: S/2	320.00	LG-7423-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%
16.T10S-R26E Sec. 10: NE/4SW/4	40.00	LG-7424-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%
17.T10S-R26E Sec. 4: SE/4SE/4, SE/4SW/4, NW/4SE/4	120.00	LG-7999 3/1/90	State of NM 12.5%	Chevron USA Inc.	None	Chevron USA Inc 100%

Tract #	No of	eri	asic Roy		Overriding	Working Interest
and D	cre	Exp. Date	ship %	Lessee of Record	Royalty	Owner
*						
16aTlOS-R26E Sec. 9: N\frac{1}{2}SE, SESE, NWNE	200.00	LG-7424-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - 100%
18.T10S-R26E Sec. 16: E/2SW/4	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	Mone	Samedan Oil Corporation - 100%
19.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858-1 10/1/92	State of NM 12.5%	Yates Petroleum Corporation	12.5%	Yates Petroleum Corporation -100%
20.T10S-R26E Sec. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-1 10/1/92	State of NM 12.5%	Yates Petroleum Corporation	12.5%	Yates Petroleum Corporation -100%
21.T10S-R26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-1 10/1/92	State of NM 12.5%	Yates Petroleum Corporation	, 2 5 *	Yates Petroleum Corporation -100%
22.T10S-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
23.T10S-R26E Sec. 9: E/2NW/4, SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil - 100%

Revised 3/29/88 Revised 5/10/89 Revised 11-21-89

EXHIBIT B
TO Unit Agreement
SUNNY SIDE STATE UNIT
Chaves County, New Mexico

	3	NO OF	Serial No. &	Basic Royalty	Torres of Decord	Overriding	Working Interest	
10S-R2		80.02	V-2331	State of NM	Elk Oil Company	None	Elk Oil Company	- 1008
Tec. 1: Lot SE/	ot 1, E/4NE/4		6/1/92	16.67%				
25.T10S-R26E		520.00	V-2332	State of NM	Apache Corporation	None	Pacific Enterprises Oil	
Sec. 12:	E/2, SW/4, SW/4NW/4		6/1/92	16.67%			,	- 100%
26.T10S-R26E Sec. 13: SE SE	SE/4NW/4, SE/4ND/4, NE/4SW/4	120.00	V-2333 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%
27.T10S-R26E Sec. 14: SE	SE/4NW/4, SE/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%
28.T10S-R26E Sec. 24: SE	E/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%
29.T10S-R26E Sec. 5: NE SW	NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating	- 100%

Revised 11-21-89

RECAPITULATION

TOTAL



State of New Mexico

OFFICE OF THE

Commissioner of Public Cands

Santa Te

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

March 30, 1993

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

Attn: Ms. Kathy Porter

Re: Voluntary Termination of Sunnyside State Unit

Chaves County, New Mexico

Dear Ms. Porter:

This office is in receipt of your letter of March 24, 1993, together with ratifications and a "Request for Termination" of the Sunnyside State Unit, Chaves County, New Mexico.

Please be advised that the Sunnyside State Unit has this date been terminated effective March 30, 1993. The Sunnyside State Com Well No. 2 has also been simultaneously approved effective March 30, 1993.

Please advise all interested parties of this action.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA

COMMISSIONER OF PUBLIC LANDS

BY Comi (Only for 70 hand)
FLOYD O. PRANDO, Director

Oil/Gas and Minerals Division

(505) 827-5744

JB/FOP/pm

encls.

cc: Reader File OCD-Santa Fe



State of New Mexico

OFFICE OF THE

Commissioner of Public Tands

Santa **T**e

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JIM BACA

COMMISSIONER OF PUBLIC LANDS

FLOYD O. PRANDO, Director

Oil/Gas and Minerals Division

(505) 827-5744

JB/FOP/pm

encls.

cc: Reader File OCD-Santa Fe

EFFECTIVE DATE 3 130/93 APPROVAL DATE 3/3-/43 TERMINATED SLUW TANILY County

Operator Unit Name SUNNY SIDE STATE UNIT - EXPLORATORY YATES PETROLEUM CORPORATION

CHAVES

DATE APPROVED OCD: MARCH 11, 1988 COMMISSIONER: March 30, 1988 OCC ORDER NO. R-8612 March 30, 1988 EFFECTIVE DATE 8,836.81 TOTAL ACREAGE 8,836.81 STATE FEDERAL 0 INDIAN-FEE 0 0 SEGREGATION CLAUSE Strict 5 Years & so TERM

Long as

UNIT AREA

TOWNSHIP 10 SOUTH,	SOUTH, RANGE 26 EAST, NMPM
Section 1:	All
Section 2:	S/2
Section 3:	\$/2
Section 4:	S/2
Section 5:	S/2,NE/4NE/4,S/2NE/4
Section 8:	All
Section 9:	All
Section 10:	A11
Section 11:	A11
Section 12:	A11
Section 13:	A11
Section 14:	All
Section 15:	All
Section 16:	A11
Section 24:	W/2,W/2SE/4
TOWNSTITE TO DOCTET	COULT transfer to transfer to
Section 6:	All

Committment status (5/10/89)

871 6.81 1 20.00 Acres Committed
Acres Not Committed

8836.81 Acres Total

APPROVAL DATE 3/30/43 TERMINATED

EFFECTIVE DATE 3/30/43

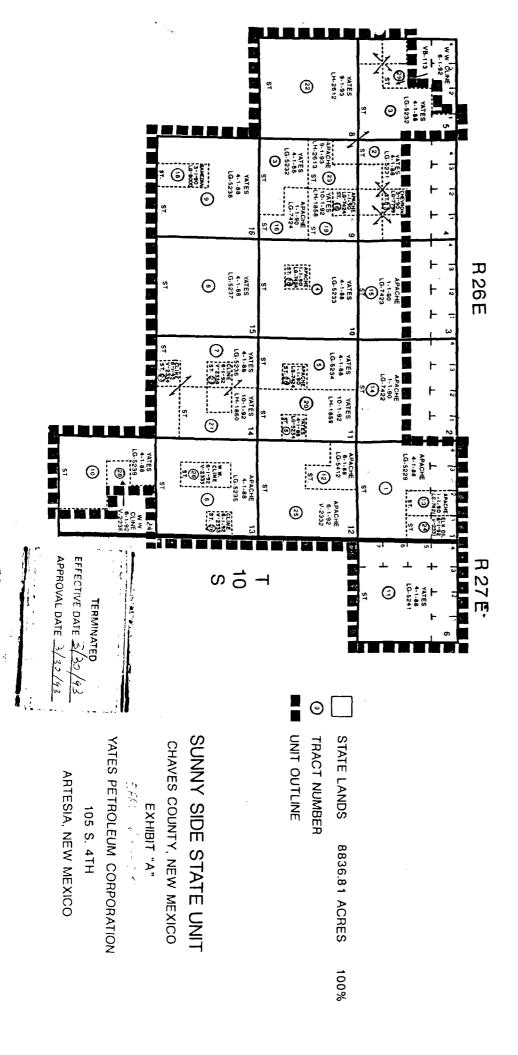
	NO Of	Serial No. &	Basic Royalty	Lessee of Record	Overriding T	MorWing Interest]
ο₩	480.27	/LG-5229-1 4/1/88	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil Company (USA)	100%
T10S-R26E N/2SV/4, SW/4SW/4, SW/4SW/4, NE/4SE/4, SW/4SE/4	200.00	LG-5231 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.	1 1 1 1 2 2 2 2 2 5 5 5 5 5 4 4 4 4
. T10S-R26E Sec. 5: Lot 1, \$/2NE/4, NW/4SW/4, SE/4SW/4, Sec. 9: NW/4NW/4, S	600.06 SE/4 SW/4,	LG-5232 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.	** ** ** ** O1 O1 O1 O1 O1 O1 O1 O1 O1 O1 O1 O1
Sec. 10: N/2, NW/45W/4, S/25W/4, SE/4	600.00	LG-5233 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5% Apache Corporation -50.0%	-112.5 -112.5 -112.5 -50.0
T10S-R26E Sec. 11: NW/4, W/25W/4, SE/45W/4, NE/45E/4	320.00	LG-5234 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.	1 1 1 1 0 0 0 0 0 0 0 0
Sec. 13: SE/4, Sec. 13: SW/4NE/4, N/2NE/4, N/2W/2, NE/4NW/4, SE/4SW/4	520.00	LG-5235-1 4/1/80	State of NM 12.5%	Apache Corporation	None	Pacific Enterprises Oil Company (USA)	100%

Page 2 of 5

EXHIBIT B
TO Unit Agreement
SUNNY SIDE STATE UNIT
Chaves County, New Mexico

îr ot #	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
Jaid Description	Acres	Exp. Date	Ownership %	Lessee of Record	Royalty	Owner
7. T10S-R26E Sec. 14: SW/4NE/4, N/2NW/4, SW/4NW/4, N/2SW/4, SW/4SW/4, S/2SE/4	360.00	LG-5236 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc
3. T10S-R26E Sec. 15: All	640.00	LG-5237 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc
9. T10S-R26E Sec: 16: N/2, W/2SW/4, SE/4	560.00	LG-5238 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc
1(.T10S-R26E Sec. 24: N/2NW/4, SW/4NW/4, SW/4, W/2SE/4	360.00	LG-5239 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation - Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc
11.T10S-R27E Sec. 6: Lots 1,2,3, 4,5,6,7, 5/2NE/4, 5E/4NW/4, E/2SW/4, SE/4	636.39	LG-5241 4/1/88	State of NM	Yates Petroleum Corporation	None	Yates Petroleum Corporation - Yates Drilling Company - Abo Petroleum Corporation - Myco Industries, Inc

17.T10S-R26E Sec. 4: SE/4SE/4, SE/4SW/4, NW/4SE/4	10.T10S-R26E Sec. 10: NE/4SW/4	15.T10S-R26E Sec. 3: S/2	14.T10S-R26E Sec. 2: S/2	1 T10S-R26E Sec. 1: Lot 2, SW/4NE/4	12.T10S-R26E Sec. 12: N/2NW/4, SE/4NW/4	Truct # Truct
120.00	40.00	320.00	320.00	80.07	120.00	No of Acres
LG-7999 3/1/90	LG-7424-1 1/1/90	LG-7423-1 1/1/90	LG-7422-1 1/1/90	LG-7421-2 1/1/90	LG-5412-1 6/1/88	Serial No. & Exp. Date
State of NM 12.5%	State of NM 12.5%	State of NM	State of NM 12.5%	State of NM 12.5%	State of NM	Basic Royalty Ownership %
Chevron USA Inc.	Apache Corporation	Apache Corporation	Apache Corporation	Apache Corporation	Apache Corporation	Lessee of Record
None	None	None	None	Robert L. Thornton - 1.90% Donald R. Curry20% Deidva P. Thornton - 1.90%	None	Overriding Royalty
Chevron USA Inc 100%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	Pacific Enterprises Oil Company (USA)	Pacific Enterprises Oil Company (USA)	Working Interest
	-50.0% -12.5% -12.5%	1 1 2 2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	-50.0% -12.5% -12.5% -12.5%	1 200%	- 100%	



Page 4 of 5

Pacific Enterprises Oil - 100%	None	Apache Corporation None	State of NM 12.5%	LH-2613-1 9/1/93	120.00	3.T10S-R26E Sec. 9: E/2NW/4, SW/4NW/4
Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%	None	Yates Petroleum Corporation	State of NM 12.5%	LH-2612 9-1-93	640.00	Sec. 8: All
Yates Petroleum Corporation -100%	1	Yates Petroleum Corporation	State of NM 12.5%	LH-1860-1 10/1/92	200.00	.T10S-R26E 'ec. 14: N/2NE/4, SE/4NE/4, N/2SE/4
Yates Petroleum Corporation -100%	12. 5	Yates Petroleum Corporation	State of NM 12.5%	LH-1859-1 10/1/92	280.00	.T10S-R26E Sec. 11: NE/4, W/2SE/4, SE/4SE/4
Yates Petroleum Corporation -100%	12.5%	Yates Petroleum Corporation	State of NM	LH-1858-1 10/1/92	120.00	.T10S-R26E Sec. 9: S/2NE/4, PE/4NE/4
Samedan Oil Corporation - 100%	None	Samedan Oil Corporation	State of NM 12.5%	1G-8000 371/90	80.00	.T10S-R26E Sec. 16: E/2SW/4
Pacific Enterprises Oil - 100%	None	Apache Corporation	State of NM 12.5%	LG-7424-1 1/1/90	200.00	Sec. 9: N\SE, Sec. 9: N\SE, SESE, NWNE
Working Interest Owner	Overriding Royalty	Lessee of Record	Basic Royalty Ownership %	Serial No. & Exp. Date	No of Acres	and Description

Revised 3/29/88 Revised 5/10/89 Revised 11-21-89

Page 5 of 5

EXHIBIT B
TO Unit Agreement
SUNNY SIDE STATE UNIT
Chaves County, New Mexico

		100.00%	RECAPITULATION 36.81 Acres State Lands	8 8	J/23/90		11-21-89	.v
- 100%	Marsh Operating	None	W. W. Cline	State of NM 16.67%	VB-113 6/1/92	00.00	F26E 5: NE/4SW/4, SW/4SW/4	%c. 5:
1 100%	Marsh Operating	None	W. W. Cline	State of NM 16.67%	V-2336 6/1/92	40.00	-E26E 24: SE/4NW/4	5.710S-R26E
100%	Marsh Operating	None	W. W. Cline	State of NM 16.67%	V-2334 6/1/92	80.00	14: SE/4NW/4, SE/4SW/4	.T10S-R26E
100%	Marsh Operating	None	W. W. Cline	State of NM 16.67%	V-2333 (6/1/92	120.00	R26E 13: SE/4NW/4, SE/4ND/4, NE/4SW/4	.T108- Sec.
0il - 100%	Pacific Enterprises Company	None	Apache Corporation	State of NM 16.67%	V-2332 () 6/1/92	520.00		.T10S-R26E c. 12:
- 100%	Elk Oil Company	None	Elk Oil Company	State of NM 16.67%	V-2331 6/1/92	80.02	R26E 1: Lot 1, SE/4NE/4	.Tlos-R26E Sec. 1:
	Working Interest Owner	Royalty Royalty	Lessee of Record	Ownership %	Exp. Date	Acres	act # nd Description	act #

Page 5 of 5

EXHIBIT B
TO Unit Agreement
SUNNY SIDE STATE UNIT
Chaves County, New Mexico

	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
and Description	Acres	Exp. Date	Ownership %	Lessee of Record	Royalty	Owner
5.T10S-R26E Sec. 12: E/2, SW/4, SW/4NW/4	520.00	V-2332 6/1/92	State of NM 16.67%	Apache Corporation None	None	Apache Corporation - 100%
5.T10S-R26E Sec. 13: SE/4NW/4, SE/4NE/4, NE/4SW/4	120.00	V-2333 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
7.T10S-R26E Sec. 14: SE/4NW/4, SE/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
8.T10S-R26E Sec. 24: SE/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
9.T10S-R26E Sec. 5: NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 18.75%	W. W. Cline	None	Marsh Operating - 100%

RECAPITULATION

TOTAL 8,836.81 Acres State Lands 100.00%

TIME TO SHARE THE STATE OF THE

	_	14					
and Description	otion	Acres	Serial No. & Exp. Date	Basic Royalty Ownership %	Lessee of Record	Overriding Royalty	Working Interest Owner
. T105-R26E Sec. 1:	Lots 3,4, S/2NW/4, S/2,	480.27	LG-5229-1 4/1/88	State of NM	Apache Corporation	None	Apache Corporation - 100%
. TlOS-R26E Sec. 4:		200.00	LG-5231 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25%
	SW/4SW/4, NE/4SE/4, SW/4SE/4						ion -
. T108-R26E Sec. 5:	Lot 1,	600.06	LG-5232 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	0 11
se c	• • •	SE/4 SW/4,					Myco Industries, Inc25%
. F10S-R26	N/2, NW/4SW/4, S/2SW/4, SE/4	600.00	LG-5233 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5% Apache Corporation -50.0%
. T105-R26E Sec. 11:	NW/4, W/2SW/4, SE/4SW/4, NE/4SE/4	320.00	LG-5234 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
Sec. 13:	SE/4, SM/4NE/4, SM/2NE/4, N/2N/2, W/2N/2, NE/4NW/4,	520.00	LG-5235-1 4/1/88	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%

7K 23 PAGE 81

Serial No. & Basic Royalty Exp. Date Ownership & Lessee of Record LG-5229-1 State of NM Apache Corporation 4/1/88 12.5% Corporation LG-5231 State of NM Yates Petroleum 4/1/88 12.5% Corporation	No. & Basic Royalty Date Ownership & Lessee of Rec Ownership & Lessee of Rec 129-1 State of NM Apache Corpor 12.5% Corporation State of NM Yates Petrole Corporation 12.5% Corporation
Royalty Ship & Lessee of NM Apache of NM Yates 1 Corpora of NM Yates 1 Corpora	Royalty Ship % Lessee of Record of NM Apache Corporation of NM Yates Petroleum Corporation of NM Yates Petroleum Corporation
Lessee of Record Apache Corporation Yates Petroleum Corporation Yates Petroleum Corporation	ecord oration leum

Page 2 of 5

							Working Interport
Fract # SLand Descriptio		Acres	Exp. Date	Ownership &	Lessee of Record	Royalty	,
7. T10S-R26E Sec. 14: SW/ N/2 SW/ N/2 SW/ SW/ S/2	E/4, /4, /4, /4, /4, /4, /4, /4, /4, /4,	360.00	LG-5236 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
8. T10S-R26E Sec. 15: All		640.00	LG-5237 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
9. T10S-R26E Sec: 16: N/2 W/2 SE/	. 4	560.00	LG-5238 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
Sec. 24: N/2 Sec. 24: N/2 SW/ SW/ W/2	74,	360.00	LG-5239 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%
11.T10S-R27E Sec. 6: Lot 4,5 \$/2 \$/2 \$/2 \$/2 \$/2 \$/2 \$/2 \$/2 \$/2 \$/2	44 2 3	636.39	LG-5241 4/1/88	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25% Yates Drilling Company -25% Abo Petroleum Corporation -25% Myco Industries, Inc25%

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oct # nd Description	No of Acres	Serial No. & Exp. Date	Basic Royalty Ownership %	Lessee of Record Ro	Overriding Royalty	Working Interest Owner	
T10S-R26E Sec. 12: N/2NW/4, Sec. 12: SE/4NW/4	120.00	LG-5412-1 6/1/88	State of NII	Corporation	None	Apache Corporation - 100%	
.T10S-R26E Sec. 1: Lot 2, SW/4NE/4	80.07	LG-7421-2 1/1/90	State of NM 12.5%	Apache Corporation No	None	Apache Corporation - 100%	
.T10S-R26E Sec. 2: S/2	320.00	I.G-7422-1 1/1/90	State of NM 12.5%	Apache Corporation No.	None .	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	112.5%
.T105-R26E Sec. 3: S/2	320.00	LG-7423-1 1/1/90	State of NH 12.5%	Apache Corporation No	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	1 1 1 5 0
T10S-R26E Sec. 10: NE/4SW/4	40.00	LG-7424-1 1/1/90	State of NM 12.5%	Apache Corporation No	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%	112.59 112.59 112.59 112.59
.T10S-R26E Sec. 4: SE/4SE/4, SE/4SW/4, NW/4SE/4	120.00	1G-7999 3/1/90	State of NM 12.5%	Chevron USA Inc. No	None	Chevron USA Inc 100%	
arlos-R26E Sec. 9: N1SE, SESE, Pune	200.00	1.G-7424-1 1/1/90	State of NM 12.5%	Apache Corporation No	None	Apache Corporation	-100.0%

ract #	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
ind Description	ACTES	, to		F000000	NO Y OT LY	OWHEE
2.T10S-R26E Sec. 12: N/2NW/4, SE/4NW/4	120.00	LG-5412-1 6/1/88	State of NM 12.5%	Apache Corporation	tion None	Apache Corporation - 100%
T10S-R26E Tec. 1: Lot 2, SW/4NE/4	80.07	LG-7421-2 1/1/90	State of NM 12.5%	Apache Corporation	tion None	Apache Corporation - 100%
4.T10S-R26E Sec. 2: S/2	320,00	LG-7422-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%
5.T10S-R26E Sec. 3: S/2	320.00	LG-7423-1 1/1/90	State of NM 12.5%	Apache Corporation	None	Apache Corporation -50.0% Yates Petroleum Corporation-12.5% Yates Drilling Company -12.5% Abo Petroleum Corporation -12.5% Myco Industries, Inc12.5%
Sec. 10: NE/4SW/4 Sec. 11: NE/4SW/4	240.00	LG-7424-1 1/1/90	State of NM 12.5%	Apache Corporation	None	ration Y tion
7.T10S-R26E Sec. 4: SE/4SE/4, SE/4SW/4, NW/4SE/4	120.00	LG-7999 3/1/90	State of NM 12.5%	Chevron USA Inc.	None	Chevron USA Inc 100%

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Land Description	Acres	Exp. Date	Ownership &	Lessee of Record	Royalty	Owner Interest
78.T10S-R26E Sec. 16: E/2SW/4	80.00	1G-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - 100%
19.T10S-R26E 19.T10S-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
20.T10S-R26E Sec. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
21.T10S-F26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-2 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Yates Petroleum Corporation-100%
22.T10S-R26E) Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
23.T10S-R26E Sec. 9: E/2NW/4, SW/4NW/4	120.00	LH-2613-1 9/1/93	State of NM 12.5%	Apache Corporation	None	Apache Corporation - 100%
24.T10S-R26E Sec. 1: Lot 1, SE/4NE/4 Prvised 3/23/88 Revised 5/10/89	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company - 100%

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· + #	No of	Serial No. &	Basic Royalty		Overriding	Working Interest
10	Acres	1	Ownership %	Lessee of Record	Royalty	1
T105-R26E Sec. 16: E/2SW/4	80.00	LG-8000 3/1/90	State of NM 12.5%	Samedan Oil Corporation	None	Samedan Oil Corporation - 100%
T105-R26E Sec. 9: S/2NE/4, NE/4NE/4	120.00	LH-1858~1 10/1/92	State of NM . 12.5%	Texaco Producing	None	Texaco Producing Inc 100%
Sec. 11: NE/4, W/2SE/4, SE/4SE/4	280.00	LH-1859-1 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Texaco Producing Inc 100%
1.T10S-R26E Sec. 14: N/2NE/4, SE/4NE/4, N/2SE/4	200.00	LH-1860-1 10/1/92	State of NM 12.5%	Texaco Producing Inc.	None	Texaco Producing Inc 100%
7.T1US-R26E Sec. 8: All	640.00	LH-2612 9-1-93	State of NM 12.5%	Yates Petroleum Corporation	None	Yates Petroleum Corporation-25.0% Yates Drilling Company -25.0% Abo Petroleum Corporation -25.0% Myco Industries, Inc25.0%
3.T10S-R26E Sec. 9: E/2NW/4, Sw/4NW/4	120.00	LH-2613~1 9/1/93	State of NM 12.5%	Apache Corporation	tion None	Apache Corporation - 100%
1.Tlns-R26E Sec. 1: Lot 1, Sec/4NE/4	80.02	V-2331 6/1/92	State of NM 16.67%	Elk Oil Company	None	Elk Oil Company - 100%

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Tract Traction	Noof	Serial No. &	Basic Royalty	Lessee of Record	Overriding Rovalty	Working Interest
25.T10 R26E	520.00	V-2332	State of NM		None	Apache Corporation - 100%
Sec 12: E/2, SW/4, SW/4NW/4	•	6/1/92	16.67%			
26.T10%26E	120.00	V-2333	State of NM	W. W. Cline	None	Marsh Operating - 100%
		6/1/92	16.67%			
27.T10S-R26E Sec. 14: SE/4NW/4, SE/4SW/4	80.00	V-2334 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
28.T10S-E26E Sec. 24: SE/4NW/4	40.00	V-2336 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%
29.T10S-1.26E Sec. 5: NE/4SW/4, SW/4SW/4	80.00	VB-113 6/1/92	State of NM 16.67%	W. W. Cline	None	Marsh Operating - 100%

RECAPITULATION

TOTAL 8,836.81 Acres State Lands

100.00%