

**UNIT AGREEMENT
UNIT OPERATING AGREEMENT**

**EAST EUMONT UNIT
LEA COUNTY NEW MEXICO**

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. _____
CASE NO. _____

CERTIFICATION--DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Department Order No. 2365 of October 8, 1947, 43 C. F. R. sec. 4.611, 12 F. R. 6784, I do hereby:

A. Approve the attached Agreement for the development and operation of the East Eumont Unit Area, State of New Mexico, County of Lea.

B. Certify and determine that the unit plan of development and operation contemplated in the attached Agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this Agreement.

Dated _____.

Director, United States Geological Survey

CERTIFICATE OF APPROVAL

BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

EAST EUMONT UNIT
LEA COUNTY, NEW MEXICO

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated September 1, 1964, which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed with seal affixed, this _____ day of _____, 1964.

Commissioner of Public Lands
of the State of New Mexico

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
EAST EUMONT UNIT AREA
COUNTY OF LEA
STATE OF NEW MEXICO

UNIT AGREEMENT
EAST EUMONT UNIT
LEA COUNTY, NEW MEXICO

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UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
EAST EUMONT UNIT
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 1st day of September, 1964, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as "parties hereto."

W I T N E S S E T H:

WHEREAS, the parties hereto are the owners of working, royalty or other oil or gas interests in the land subject to this Agreement; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws 1943 as amended by Sec. 1 of Chap. 162, Laws of 1951, Chap. 7, Art. 11, Sec. 39, N.M.S. 1953 anno) to consent to or approve this Agreement on behalf of the State of New Mexico, insofar as it covers and includes lands and mineral interests of the State of New Mexico; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws of 1943, as amended by Sec. 1, Chap. 162, Laws of 1951, Chap. 7, Art. 11, Sec. 41, N.M.S. 1953 anno) to amend with the approval of the lessee, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the term of such unitized development and operation of State lands; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by law (Chap. 72, Laws of 1935, as amended by Chap. 193, Laws of 1937, Chap. 166, Laws of 1941, and Chap. 168, Laws of 1949) to approve this Agreement, and the conservation provisions hereof; and

WHEREAS, the Mineral Leasing Act of February 25, 1920, (41 Stat. 437, as amended, 30 U.S.C. Sections 181 et seq.) authorizes Federal lessees and their representatives to unite with each other or jointly or separately with others in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field or like area or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the parties hereto hold sufficient interests in the East Eumont Unit covering the land hereinafter described to give reasonably effective control of operation therein; and

WHEREAS, it is the purpose of the parties hereto, to enable institution and consummation of secondary recovery operations, conserve natural resources, prevent waste and secure the other benefits obtainable through development and operation of the area subject to this Agreement under the terms, conditions and limitations herein set forth.

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this Agreement their entire respective interests in the below-defined Unit Area, and agree severally among themselves as follows:

SECTION 1. ENABLING ACT AND REGULATIONS: The Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid, pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder and valid, pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this Agreement as to Federal lands, provided such regulations are not inconsistent with the terms of this Agreement; and as to non-Federal lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the non-Federal land is located, are hereby accepted and made a part of this Agreement.

SECTION 2. UNIT AREA AND DEFINITIONS: For the purpose of this Agreement, the following terms and expressions as used herein shall mean:

- (a) "Unit Area" is defined as those lands specified in Exhibit "A" hereof, and such land is hereby designated and recognized as constituting the Unit Area; the lands specified in said Exhibit "A" are described as follows:

Township 18 South, Range 37 East,
N.M.P.M., Lea County, New Mexico

Section 33: S/2 NE/4, SE/4 NW/4, SE/4,
S/2 SW/4 and NE/4 SW/4
Section 34: SW/4 SW/4

Township 19 South, Range 37 East,
N.M.P.M., Lea County, New Mexico

Section 3: Lot 4, S/2 NW/4 and SW/4
Section 4: Lots 1, 2, 3 and 4, S/2 NW/4,
S/2 NE/4 and E/2 SE/4
Section 9: N/2 NE/4
Section 10: NW/4, SW/4, and NW/4 NE/4
Section 15: W/2
Section 16: E/2 E/2 and SW/4 SE/4
Section 21: E/2 E/2
Section 22: W/2 and S/2 SE/4
Section 26: SW/4 NW/4, NW/4 SW/4,
S/2 SW/4, and SW/4 SE/4
Section 27: N/2, SE/4, and E/2 SW/4

Section 28: E/2 NE/4
Section 34: NE/4 NW/4, NW/4 NE/4,
and E/2 NE/4
Section 35: E/2, NW/4 and E/2 SW/4
Section 36: SW/4 NW/4, NW/4 SW/4 and S/2 SW/4

Township 20 South, Range 37 East,
N.M.P.M., Lea County, New Mexico

Section 1: Lots 2, 3 and 4, S/2 NW/4,
SW/4 NE/4, SW/4 and W/2 SE/4
Section 2: Lots 1, 2 and 3, SE/4 NW/4,
S/2 NE/4, SE/4, and SE/4 SW/4
Section 11: NE/4 NE/4
Section 12: NW/4 NW/4, E/2 NW/4 and W/2 NE/4

containing 5,535.06 acres, more or less.

- (b) "Commissioner" is defined as the Commissioner of Public Lands of the State of New Mexico.
- (c) "Commission" is defined as the Oil Conservation Commission of the State of New Mexico.
- (d) "Director" is defined as the Director of the United States Geological Survey.
- (e) "Secretary" is defined as the Secretary of the Interior of the United States of America.
- (f) "Department" is defined as the Department of the Interior of the United States of America.
- (g) "Supervisor" is defined as the Oil and Gas Supervisor of the United States Geological Survey.
- (h) "Unitized Formation" is defined as and shall mean that vertical interval underlying the unitized land from the top of the Yates Formation to the top of the Grayburg Formation and being the same vertical interval encountered between the subsurface depths of 2856 feet and 3982 feet in the Aztec Oil and Gas Company State E 33 "A" Well No. 1, located in the S/2 SE/4 of Section 33, Township 18 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
- (i) "Unitized Substances" is defined as and shall mean all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate and all associated and constituent liquids or liquefiable hydrocarbons within or produced from the Unitized Formation, save and except, any part of any of the enumerated substances which are committed to a presently existing gas proration unit the unit well for which is located outside of the Unit Area.
- (j) "Working Interest" is defined as the right to search for, produce and acquire Unitized Substances whether held as an incident of ownership of mineral fee simple title, under an oil and gas lease, or otherwise held.

- (k) "Working Interest Owner" is defined as and shall mean any party hereto owning a Working Interest, including a carried working interest owner, holding an interest in Unitized Substances by virtue of a lease, operating agreement, fee title or otherwise, which interest is chargeable with and obligated to pay or bear, either in cash or out of production, or otherwise, all or a portion of the cost of drilling, developing and producing the Unitized Substances from the Unitized Formation and operating thereof hereunder. The owner of oil and gas rights that are free of lease or other instrument conveying the Working Interest to another shall be regarded as a Working Interest Owner to the extent of seven-eighths ($7/8$) of his interest in Unitized Substances, and as a Royalty Owner with respect to his remaining one-eighth ($1/8$) interest therein.
- (l) "Royalty Interest" or "Royalty" is defined as an interest other than a Working Interest in or right to receive a portion of the Unitized Substances or the proceeds thereof and includes the royalty interest reserved by the lessor by an oil and gas lease and any overriding royalty interest, oil payment interest, net profit contracts, or any other payment or burden which does not carry with it either the right to search for and produce Unitized Substances or the obligation to pay or bear, either in cash or out of production, or otherwise, all or a portion of the cost of drilling, developing and producing the Unitized Substances from the Unitized Formation and operating thereof hereunder.
- (m) "Royalty Owner" is defined as and shall mean the owner of a Royalty Interest.
- (n) "Unit Operating Agreement" is defined as and shall mean the agreement styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico," entered into by and between the Unit Operator and the Working Interest Owners as provided in Section 9, *infra*.
- (o) "Unit Manager" is defined as the person or corporation appointed by the Working Interest Owners to perform the duties of the Unit Operator until the selection and qualification of a successor Unit Operator as provided for in Section 7 hereof.
- (p) "Tract" means each parcel of land described as such and given a tract number in Exhibit "B".
- (q) "Tract Surface Acres" means the number of acres in a Tract as shown in Exhibit "B".
- (r) "Unit Area Surface Acres" means the total number of acres in all unitized land as shown in Exhibit "B".

- (s) "Tract Current Production" is defined as the number of barrels of oil produced from the Unitized Formation in a Tract of unitized land from July 1, 1961, down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (t) "Unit Area Current Production" is defined as the total number of barrels of oil produced from the Unitized Formation in all unitized land from July 1, 1961, down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (u) "Tract Cumulative Production" is defined as the number of barrels of oil produced from the Unitized Formation in a Tract of unitized land from the date of first production down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (v) "Unit Area Cumulative Production" is defined as the total number of barrels of oil produced from the Unitized Formation in all unitized land from the date of first production down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (w) "Tract Participation" means the percentage shown on Exhibit "B" for allocating Unitized Substances produced from unitized land to a Tract of said land under this Agreement.
- (x) "Unit Participation" of each Working Interest Owner in unitized land means the sum of the percentages obtained by multiplying the Working Interest of such Working Interest Owner in each Tract of unitized land by the Tract Participation of such Tract.

SECTION 3. EXHIBITS: Exhibit "A" attached hereto is a map showing, to the extent known to the Unit Operator, the Unit Area and the boundaries and identity of Tracts and leases in said Unit Area. Exhibit "B" attached hereto is a schedule showing, to the extent known to the Unit Operator, the acreage comprising each Tract, the Tract Surface Acres in each Tract, the percentage ownership of each Working Interest Owner in each Tract, and the Tract Participation of each Tract. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes render such revision necessary, and the required number of copies of such revision shall be filed with the Commissioner and the Supervisor.

SECTION 4. EXPANSION: The above-described Unit Area may when practicable be expanded to include therein any additional Tract or Tracts (as used in this section, the terms "Tract" and "Tracts" mean not only the parcels of land described as such and given tract

numbers in Exhibit "B", but also any other parcels of land proposed to be admitted to the Unit Area) regarded as reasonably necessary or advisable for the purposes of this Agreement to conform with the purposes of this Agreement. Such expansion shall be effected in the following manner:

(a) The Working Interest Owner or Owners of a Tract or Tracts desiring to bring such Tract or Tracts into the Unit Area shall file an application therefor with Unit Operator requesting such admission.

(b) Unit Operator shall circulate a notice of the proposed expansion to each Working Interest Owner in the Unit and in the Tract or Tracts proposed to be included in the Unit, setting out the basis for admission, the Tract Participation to be assigned to such Tract or Tracts, and other pertinent data. After negotiation (at Working Interest Owners' meeting or otherwise), if owners of eighty-five percent (85%) of the Working Interest in unitized land (on the basis of Unit Participation) have agreed to such Tract or Tracts being brought into the Unit Area, then Unit Operator shall:

(1) After preliminary concurrence by the Director and the Commissioner, prepare a notice of proposed expansion describing the contemplated changes in the boundaries of the Unit Area, the reason therefor, the basis for admission of the additional Tract or Tracts, the Tract Participation to be assigned thereto and the proposed effective date thereof, preferably the first day of a month subsequent to the date of notice; and

(2) Deliver copies of said notice to the Commissioner, the Supervisor, each Working Interest Owner (mailing copy of such notice to the last known address of each such Working Interest Owner) and each lessee and lessor whose interests are affected, advising such parties that thirty (30) days will be allowed for submission to the Unit Operator of any objection to such proposed expansion; and

(3) File, upon the expiration of said thirty (30) day period as set out in (2) immediately above and provided that objections by owners of not more than fifteen percent (15%) of the Working Interest in unitized land (on the basis of Unit Participation) have been filed thereto, with the Commissioner and Supervisor the following: (a) Comprehensive statement as to mailing such notice of expansion; (b) An application for such expansion; and (c) An instrument containing the appropriate joinders in compliance with the participation requirements of Section 13, *infra*.

The expansion shall, after due consideration of all pertinent information and upon approval by the Commissioner and the Director become effective as of the date prescribed in the notice thereof.

SECTION 5. COMMITTED LAND AND UNITIZED SUBSTANCES: All land effectively committed to this Agreement shall constitute the land referred to herein as "unitized land" or "land subject to this Agreement." All Unitized Substances, as heretofore defined, in or produced from the "unitized land" are hereby unitized under the terms of this Agreement. Surface rights of ingress and egress shall be maintained for the benefit of the Unit. Nothing herein shall be construed to unitize, pool, or in any way affect the oil, gas and other minerals contained in or that may be produced from any formation other than the Unitized Formation.

SECTION 6. UNIT OPERATOR: Tidewater Oil Company, a Delaware corporation, is hereby designated as Unit Operator and by signing this instrument as Unit Operator it agrees and consents to accept the duties and obligations of Unit Operator for the operation, development and production of Unitized Substances from the unitized land as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interests in Unitized Substances, and the term "Working Interest Owner" when used herein shall include or refer to Unit Operator as the owner of a Working Interest when such an interest is owned by it.

SECTION 7. RESIGNATION OR REMOVAL OF UNIT OPERATOR: Unit Operator shall have the right to resign at any time, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of six (6) months after written notice of intention to resign has been given by Unit Operator to all Working Interest Owners, the Commissioner and the Supervisor, unless a new Unit Operator shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by owners of eighty percent (80%) of the Working Interest in the unitized land (on the basis of Unit Participation) exclusive of the Working Interest owned by the Working Interest Owner who is the Unit Operator. Such removal shall be effective upon notice thereof to the Commissioner and the Supervisor.

In all instances of resignation or removal, until a successor Unit Operator is selected and approved as hereinafter provided, the Working Interest Owners shall be jointly responsible for performance of the duties of Unit Operator and shall not later than thirty (30) days before such resignation or removal becomes effective appoint a Unit Manager to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this Agreement shall not terminate its right, title or interest as the owner of a Working Interest or other interest in Unitized Substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all equipment, books, and records, materials, appurtenances and

any other assets, used in conducting the unit operations and owned by the Working Interest Owners (including any and all data and information which it might have gained or assembled by reason of its operation of the unitized land) to the new duly qualified successor Unit Operator or to the Unit Manager if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

Nothing herein contained shall be construed to relieve or discharge any Unit Operator who resigns or is removed hereunder for any liability or duties accruing or performable by it prior to the effective date of such resignation or removal.

SECTION 8. SUCCESSOR UNIT OPERATOR: Whenever the Unit Operator shall tender its resignation as Unit Operator or shall be removed as hereinabove provided, the Working Interest Owners shall by affirmative vote of at least seventy percent (70%) of their voting interest, based upon Unit Participation as shown on Exhibit "B", select a successor Unit Operator; provided, however, that should any Working Interest Owner own a voting interest of more than thirty percent (30%), the vote of said party shall not serve to disapprove the selection of a new Unit Operator approved by seventy percent (70%) or more of the voting interests of the remaining Working Interest Owners, and provided further that the Unit Operator shall not vote to succeed himself. Such selection shall not become effective until (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Commissioner and filed with the Supervisor. If no successor Unit Operator or Unit Manager is selected and qualified as herein provided, the Commissioner and the Director, at their election, may declare this Agreement terminated.

SECTION 9. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT: Costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid, apportioned among and borne by the Working Interest Owners in accordance with the Unit Operating Agreement. Such Unit Operating Agreement shall also provide for such other rights and obligations as between Unit Operator and Working Interest Owners as may be agreed upon by the Unit Operator and Working Interest Owners; however, no such Unit Operating Agreement shall be deemed either to modify any of the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the Unit Operating Agreement, this Unit Agreement shall prevail. The required number of copies of any Unit Operating Agreement executed pursuant to this Section shall be filed with the Commissioner and the Supervisor, prior to approval of this Agreement.

SECTION 10. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR: Except as otherwise specifically provided herein, the exclusive right, privilege and duty of exercising any and all rights of the parties hereto which are necessary or convenient for prospecting for, producing, storing, allocating and distributing the Unitized Substances

are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said Unit Operator, and together with this Agreement, shall constitute and define the rights, privileges and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this Agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

SECTION 11. PLAN OF OPERATIONS: It is recognized and agreed by the parties hereto that all of the land subject to this Agreement is reasonably proved to be productive of Unitized Substances in paying quantities and that the object and purpose of this Agreement is to formulate and to put into effect a secondary recovery project in order to effect the greatest ultimate recovery of Unitized Substances, prevent waste and conserve natural resources. The parties hereto agree that the Unit Operator may, subject to the consent and approval of a plan of operation by the Working Interest Owners, the Supervisor, the Commission, and the Commissioner, inject into the Unitized Formation, through any well or wells completed therein, brine, water, air, gas, oil, liquefied petroleum gas, and other substance or a combination of any of said substances, whether produced from the Unitized Formation or not, and that the location of input wells and the rates of injection therein and the rate of production shall be governed by standards of good geologic and petroleum engineering practices and conservation methods. After commencement of secondary operations, Unit Operator shall furnish the Commission, the Commissioner, and the Supervisor monthly injection and production reports for each well on the unitized land. The Working Interest Owners, the Supervisor, the Commission, and the Commissioner shall be furnished periodic reports on the progress of the plan of operation and any revisions or changes thereto; provided, however, that any major revisions of the plan of operation involving a basic deviation from the initial plan of operation shall be subject to the consent and approval of the Working Interest Owners, the Supervisor, the Commission, and the Commissioner.

The initial plan of operation shall be filed with the Supervisor, the Commission, and the Commissioner concurrently with the filing of this Unit Agreement for final approval. Said initial plan of operation and all revisions thereof shall be as complete and adequate as the Supervisor, the Commission, and the Commissioner may determine to be necessary for timely operation consistent herewith. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of operation.

SECTION 12. TRACT PARTICIPATION: In Exhibit "B" attached hereto, there are listed and numbered the various Tracts within the Unit Area and set forth opposite each Tract is a figure which represents the Tract Participation of such Tract. The formula used for the calculation of such percentages of participation is as follows:

5% of $\frac{\text{Tract Surface Acres}}{\text{Unit Area Surface Acres}}$

Plus

5% of $\frac{\text{Tract Current Production}}{\text{Unit Area Current Production}}$

Plus

90% of $\frac{\text{Tract Cumulative Production}}{\text{Unit Area Cumulative Production}}$

The percentages of participation set forth opposite each Tract in Exhibit "B" were calculated on the basis of one hundred percent (100%) Tract commitment. If the Unit Agreement is approved with less than one hundred percent (100%) Tract commitment, said percentages of participation shall be revised to fit the commitment status as of the effective date hereof, and thereafter, as needed pursuant to Section 14 (Allocation of Unitized Substances).

SECTION 13. TRACTS QUALIFIED FOR PARTICIPATION: On and after the effective date hereof the Tracts within the Unit Area which shall be entitled to participation (as provided in Section 12 hereof) in the production of Unitized Substances therefrom shall be those Tracts more particularly described in said Exhibit "B" that corner or have a common boundary (Tracts separated only by a public highway or a railroad right-of-way shall be considered to have a common boundary) and otherwise qualify as follows:

- (a) Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this Agreement and as to which Royalty Owners owning eighty-five percent (85%) or more of the Royalty Interest have become parties to this Agreement.
- (b) Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this Agreement, and as to which Royalty Owners owning less than eighty-five percent (85%) of the Royalty Interest have become parties to this Agreement, and as to which (1) all Working Interest Owners in such Tract have joined in a request for the acceptance of such Tract, and as to which (2) eighty percent (80%) of the combined voting interests of Working Interest Owners in all Tracts that meet the requirements of (a) have voted in favor of the acceptance of such Tract. For the purpose of this Subsection (b), the voting interest of a Working Interest Owner shall be equal to the ratio that its Unit Participation attributable to Tracts that qualify under (a) above bears to the total Unit Participation of all Working Interest Owners attributable to all Tracts that qualify under (a) above.
- (c) Each Tract as to which Working Interest Owners owning less than one hundred percent (100%) of the Working

Interest have become parties to this Agreement, regardless of the percentage of Royalty Interest therein that is committed hereto; and as to which (1) the Working Interest Owner who operates the Tract and all of the other Working Interest Owners in such Tract who have become parties to this Agreement have joined in a request for acceptance of such Tract, and have executed and delivered an indemnity agreement indemnifying and agreeing to hold harmless the Working Interest Owners in all other Tracts that qualify under this Section 13, their successors and assigns, against all claims and demands that may be made by the owners of Working Interests in such Tract who are not parties to this Agreement, and which arise out of the acceptance of the Tract; and as to which (2) eighty percent (80%) of the combined voting interest of Working Interest Owners in all Tracts that meet the requirements of (a) and (b) above have voted in favor of the acceptance of such Tract and to accept the indemnity agreement. For the purpose of this Subsection (c), the voting interest of each Working Interest Owner shall be equal to the ratio that its Unit Participation attributable to Tracts that qualify under (a) and (b) above bears to the total Unit Participation of all Working Interest Owners attributable to all Tracts that qualify under (a) and (b) above. Upon the acceptance of such a Tract, the Unit Participation that would have been attributed to the non-subscribing owners of the Working Interest in such Tract, had they become parties to this Agreement and the Unit Operating Agreement, shall be attributed to the Working Interest Owners in such Tract who have become parties to such agreements, in proportion to their respective Working Interests in the Tract.

If, on the effective date of this Agreement, there are any Tract or Tracts in the Unit Area which have not been effectively committed to or made subject to this Agreement by qualifying as above provided, then such Tract or Tracts shall not be considered as unitized land and shall not be entitled to Tract Participation hereunder. Unit Operator, shall, when submitting this Agreement for final approval by the Commissioner and the Director, file therewith a schedule of those Tracts which have been committed and made subject to this Agreement and are entitled to Tract Participation hereunder. Said schedule shall set forth opposite each such committed Tract the lease number or assignment number, the owner of record of the lease, and the Tract Participation of such Tract which shall be computed according to the participation formula set out in Section 12 (Tract Participation) above. This schedule of participation shall be a part of Exhibit "B" and upon approval thereof by the Commissioner and the Director shall become a part of this Agreement and shall govern the allocation of production of Unitized Substances until a new schedule is filed and approved by the Commissioner and the Director.

SECTION 14. ALLOCATION OF UNITIZED SUBSTANCES: All Unitized Substances produced and saved (less, save and except any part of such Unitized Substances used in conformity with good operating practices on said unitized land for drilling, operating, camp and other production or development purposes and for pressure maintenance or unavoidably lost) shall be apportioned among and allocated to the Tracts of unitized land in accordance with the respective Tract Participations then effective hereunder during the respective periods such Unitized Substances were produced, as set forth in the schedule of participation in Exhibit "B". The amount of Unitized Substances so allocated to each Tract, and only that amount, (regardless of whether it be more or less than the amount of the actual production of Unitized Substances from the well or wells, if any, on such Tract) shall, for all intents, uses and purposes, be deemed to have been produced from such Tract.

The Unitized Substances allocated to each Tract of unitized land shall be distributed among, or accounted for to the parties executing, consenting to or ratifying this Agreement entitled to share in the production from such Tract in the same manner, in the same proportions, and upon the same conditions, as they would have participated and shared in the production from such Tracts, or in the proceeds thereof, had this Agreement not been entered into; and with the same legal force and effect.

No Tract committed to this Agreement and qualified for participation as above provided shall be subsequently excluded from participation hereunder on account of depletion of Unitized Substances, and nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the joinder of any Tract.

If the Working Interest and the Royalty Interest in any Tract are or hereafter become divided with respect to separate parcels or portions of such Tract and owned severally by different persons, the Tract Participation assigned to such Tract shall, in the absence of a recordable instrument executed by all owners and furnished to Unit Operator fixing the divisions of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

The Unitized Substances allocated to each Tract of unitized land shall be delivered in kind to the respective Working Interest Owners and parties entitled thereto by virtue of the ownership of oil and gas rights therein or by purchase from such owners. Each Working Interest Owner and the parties entitled thereto shall have the continuing right to receive such production in kind at a common point on unitized land and to sell or dispose of the same as it sees fit. Each such party shall have the right to construct, maintain and operate all necessary facilities for that purpose on unitized land, provided the same are so constructed, maintained and operated as not to interfere with operations carried on pursuant hereto. Subject to Section 15 hereof, any extra expenditures incurred by Unit Operator by reason of the delivery in kind of any portion of the Unitized Substances shall be borne by the party receiving the same in kind. If any party hereto shall fail to take in

kind or separately dispose of its proportionate share of the production from the unitized land, Unit Operator shall have the right, for the time being and subject to revocation at will by the party owning such share, to purchase for its own account or sell to others such share at not less than the price received by the Working Interest Owner acting as Unit Operator for its proportionate share; provided, however, all contracts of sale by the Unit Operator of any other party's share of said production shall be only for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but in no event shall any such contract be for a period in excess of one (1) year, and further provided, that Unit Operator shall not make a sale into interstate commerce of any other party's share of gas production without first giving such other party sixty (60) days' notice of such intended sale. The net proceeds, if any, of the Unitized Substances so disposed of by Unit Operator shall be paid to the party entitled thereto.

Any party receiving in kind or separately disposing of all or any part of the Unitized Substances allocated to any Tract of unitized land, or receiving the proceeds therefrom if the same is sold or purchased by Unit Operator, shall be responsible for the payment of all Royalty on the lease or leases and Tracts contributed by it and received into the Unit, and each such party shall hold each other party hereto harmless against all claims, demands and causes of action for such Royalty on the lease or leases and Tracts contributed by it and received into the Unit.

If, after the effective date of this Agreement, there is any Tract (or Tracts) subsequently committed to the Unit Area, as provided in Section 4 (Expansion) hereof, or any Tract (or Tracts) within the Unit Area not committed hereto as of the effective date hereof but which is subsequently committed hereto under the provisions of Section 30 (Nonjoinder and Subsequent Joinder), or if any Tract is excluded from the Unit Area, as provided for in Section 29 (Loss of Title), the Tract Participations as shown in Exhibit "B", subject to Section 12 (Tract Participation) or Section 30 (Nonjoinder and Subsequent Joinder), whichever is appropriate, shall be revised by the Unit Operator and distributed to the Working Interest Owners, the Commissioner, and the Director to show the new Tract Participations of all the then effectively committed Tracts in the Unit Area; and the revised schedules, upon approval by the Commissioner and the Director, shall govern all the allocation of production of Unitized Substances from unitized land from and after the effective date thereof until a new schedule is approved by the Commissioner and the Director.

SECTION 15. ROYALTY SETTLEMENT: The State of New Mexico and the United States of America and all Royalty Owners who, under an existing contract, are entitled to take in kind a share of the substances produced from any Tract of unitized land, shall continue to be entitled to such right to take in kind their share of the Unitized Substances allocated to such Tract, and Unit Operator shall make deliveries of such Royalty share taken in kind in conformity with the applicable contracts, laws and regulations. Settlement for Royalty Interest not taken in kind shall be made by Working Interest Owners responsible therefor under existing contracts, laws and regulations, on or before the last day of each month for Unitized Substances produced during the preceding calendar month; provided, however, that

nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any Royalty due under their leases, except that such Royalty shall be computed in accordance with the terms of this Unit Agreement.

If natural gas (as opposed to liquefied petroleum gas) obtained from lands or formations not subject to this Agreement is introduced into the Unitized Formation for use in repressuring, stimulation of production or increasing ultimate recovery in conformity with a plan approved pursuant to Section 11 (Plan of Operation), a like amount of gas, less appropriate deductions for loss from any cause, may be withdrawn from the Unitized Formation royalty free as to dry gas but not as to the products extracted therefrom subject to a plan approved by the Supervisor. If liquefied petroleum gas (as opposed to natural gas) obtained from lands or formations not subject to this Agreement is introduced into the Unitized Formation for the purposes and under the conditions mentioned in the preceding sentence, then part or all of such liquefied petroleum gas may be withdrawn royalty free pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner. The rights of withdrawal in this section contained shall terminate as of the effective date of termination of this Unit Agreement.

All Royalty due the State of New Mexico and the United States of America and the other Royalty Owners hereunder shall be computed and paid, at the rates prescribed in the leases, on the basis of all Unitized Substances allocated to the respective Tract or Tracts of unitized land, in lieu of actual production from such Tract or Tracts; provided, that for federal leases on which the royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though the unitized land were a single consolidated lease.

Each Royalty Owner (other than the State of New Mexico and the United States of America) that executes this Agreement represents and warrants that it is the owner of a Royalty Interest in a Tract or Tracts within the Unit Area as its interest appears in Exhibit "B" attached hereto. If any Royalty Interest in a Tract or Tracts should be lost by title failure or otherwise in whole or in part, during the term of this Agreement, then the Royalty Interest of the party representing himself to be the owner thereof shall be reduced proportionately and the interest of all parties shall be adjusted accordingly.

SECTION 16. RENTAL SETTLEMENT: Rentals or minimum royalties due on leases committed hereto shall be paid by Working Interest Owners responsible therefor under existing contracts, laws and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof, due under their leases. Rental for lands of the State of New Mexico subject to this Agreement shall be paid at the rate specified in the respective leases from the State of New Mexico. Rental or minimum royalty for lands of the United States of America subject to this Agreement shall be paid at the rate specified in the respective leases from the United States of America, unless rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his

duly authorized representative.

SECTION 17. CONSERVATION: Operations hereunder and production of Unitized Substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to Federal and State laws and regulations.

SECTION 18. DRAINAGE: The Unit Operator shall take appropriate and adequate measures to prevent drainage of Unitized Substances from the unitized land by wells on land not subject to this Agreement.

SECTION 19. LEASES AND CONTRACTS CONFORMED AND EXTENDED: The terms, conditions and provisions of all leases, subleases and other contracts relating to exploration, drilling, development or operation for oil or gas on lands committed to this Agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect, and the parties hereto hereby consent that the Secretary and the Commissioner, respectively, shall and by their approval hereof, or by the approval hereof by their duly authorized representatives, do hereby establish, alter, change or revoke the drilling, producing, rental, minimum royalty and royalty requirements of Federal and State leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this Agreement.

Without limiting the generality of the foregoing, all leases, subleases and contracts are particularly modified in accordance with the following:

- (a) The development and operation of lands subject to this Agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every part or separately-owned Tract subject to this Agreement, regardless of whether there is any development of any particular part or Tract of the Unit Area, notwithstanding anything to the contrary in any lease, operating agreement or other contract by and between the parties hereto, or their respective predecessors in interest, or any of them.
- (b) Drilling, producing or secondary recovery operations performed hereunder upon any Tract of unitized land shall be accepted and deemed to be performed upon and for the benefit of each and every Tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on land therein embraced.
- (c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent of the Commissioner and the Supervisor or their duly authorized representatives, shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every Tract of unitized land.

- (d) Each lease, sublease, or contract relating to the exploration, drilling, development or operation for oil and gas which by its terms might expire prior to the termination of this Agreement, is hereby extended beyond any such term so provided therein, so that it shall be continued in full force and effect for and during the term of this Agreement.
- (e) Termination of this Agreement shall not affect any lease which, pursuant to the terms thereof or any applicable laws, shall continue in force and effect thereafter.
- (f) Any lease embracing lands of the State of New Mexico which is made subject to this Agreement, shall continue in force beyond the term provided therein as to the lands committed hereto until the termination hereof.
- (g) Any lease embracing lands of the State of New Mexico having only a portion of its land committed hereto, shall be segregated as to that portion committed and that not committed, and the terms of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. Provided, however, that notwithstanding any of the provisions of this Agreement to the contrary, such lease shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease if oil or gas is, or has heretofore been discovered in paying quantities on some part of the lands embraced in such lease committed to this Agreement or, so long as a portion of the Unitized Substances produced from the Unit Area is, under the terms of this Agreement, allocated to the portion of the lands covered by such lease committed to this Agreement, or, at any time during the term hereof, as to any lease that is then valid and subsisting and upon which the lessee or the Unit Operator is then engaged in bona fide drilling, reworking, or secondary recovery operations on any part of the lands embraced in such lease, then the same as to all lands embraced therein shall remain in full force and effect so long as such operations are diligently prosecuted, and if they result in the production of oil or gas, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as oil or gas in paying quantities is being produced from any portion of said lands.
- (h) The segregation of any Federal lease committed to this Agreement is governed by the following provision in the fourth paragraph of Section 17 (j) of the Mineral Leasing Act, as amended by the Act of September 2, 1960 (74 Stat. 781-784): "Any (Federal) lease heretofore or hereafter committed to any such (unit) plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into

separate leases as to the lands committed and the lands not committed as of the effective date of unitization; Provided, however, that any such lease as to the non-unitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities."

SECTION 20. MATHEMATICAL ERRORS: It is hereby agreed by all parties to this Agreement that Unit Operator is empowered to correct any mathematical or clerical errors which might exist in the pertinent exhibits to this Agreement upon approval of the Commissioner and the Supervisor.

SECTION 21. COVENANTS RUN WITH LAND: The covenants herein shall be construed to be covenants running with the land with respect to the interest of the parties hereto and their successors in interest until this Agreement terminates, and any grant, transfer or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee or other successor in interest. No assignment or transfer of any Working Interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument of transfer; and no assignment or transfer of any Royalty Interest subject hereto shall be binding upon the Working Interest Owner responsible therefor until the first day of the calendar month after said Working Interest Owner is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument of transfer.

SECTION 22. EFFECTIVE DATE AND TERM. This Agreement shall become binding upon each party who executes or ratifies it as of the date of execution or ratification by such party and shall become effective as of 7:00 o'clock A.M. of the first day of the month next following:

- (a) The execution or ratification of this Agreement and the Unit Operating Agreement by Working Interest Owners owning a combined Unit Participation of at least eighty percent (80%), and the execution or ratification of this Agreement by Royalty Owners owning a combined interest of at least sixty-five percent (65%) of the Royalty Interest, in the Unit Area; and,
- (b) The approval of this Agreement by the Commissioner, the Director, and the Commission; and
- (c) The filing for record in Lea County, New Mexico, by Unit Operator, of at least one counterpart of this Unit Agreement.

If (a), (b), and (c) above are not accomplished on or before July 1, 1965, this Agreement shall ipso facto terminate on said date

(hereinafter called "termination date") and thereafter be of no further force or effect, unless prior thereto this Agreement has been executed or ratified by Working Interest Owners owning a combined Unit Participation of at least sixty percent (60%), and the Working Interest Owners owning a combined Unit Participation of at least eighty-five percent (85%) committed to this Agreement have decided to extend said termination date for a period not to exceed six (6) months (hereinafter called "extended termination date"). If said termination date is so extended and (a), (b), and (c) are not accomplished on or before said extended termination date, this Agreement shall ipso facto terminate on said extended termination date and thereafter be of no further force or effect. For the purposes of this Section, ownership shall be computed on the basis of Unit Participation as determined from the original Exhibit "B" attached to the Unit Agreement.

Unit Operator shall, within thirty (30) days after the effective date of this Agreement, file for record a certificate to the effect that this Agreement has become effective according to its terms and stating further the effective date and the location of the governmental agency offices where copies of this Agreement are filed.

The term of this Agreement shall be for and during the time that Unitized Substances are produced in paying quantities from the unitized land and as long thereafter as drilling, reworking or other operations (including secondary recovery operations) are prosecuted thereon without cessation of more than ninety (90) consecutive days, unless sooner terminated by Working Interest Owners in the manner hereinafter provided.

This Agreement may be terminated with the approval of the Commissioner and the Director by Working Interest Owners owning eighty-five percent (85%) Unit Participation whenever such Working Interest Owners determine that unit operations are no longer profitable, feasible or in the interest of conservation. Notice of any such termination shall be given by Unit Operator to all parties hereto.

Upon termination of this Agreement, the further development and operation of the Unit Area as a Unit shall be abandoned, unit operations shall cease, and thereafter the parties hereto shall be governed by the terms and provisions of the leases and contracts affecting the separate Tracts.

If not otherwise covered by the leases unitized under this Agreement, Royalty Owners hereby grant Working Interest Owners a period of six (6) months after termination of this Agreement in which to salvage, sell, distribute or otherwise dispose of the personal property and facilities used in connection with unit operations.

SECTION 23. RATE OF PROSPECTING, DEVELOPMENT AND PRODUCTION:
All production and the disposal thereof shall be in conformity with allocations and quotas made or fixed by any duly authorized person or regulatory body under any Federal or State statute. The Director is hereby vested with authority to alter or modify from time to time, in his discretion, the rate of prospecting and development and, within the limits made or fixed by the Commission, to alter or modify the quantity and rate of production under this Agreement, such authority

being hereby limited to alteration or modification in the public interest, the purpose thereof and the public interest to be served thereby to be stated in the order of alteration or modification; provided, further that no such alteration or modification shall be effective as to any land of the State of New Mexico as to the rate of prospecting and development in the absence of the specific written approval thereof by the Commissioner and as to any lands of the State of New Mexico or privately-owned lands subject to this Agreement as to the quantity and rate of production in the absence of specific written approval thereof by the Commission.

Powers in this Section vested in the Director shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than fifteen (15) days from notice, and thereafter subject to administrative appeal before becoming final.

SECTION 24. NONDISCRIMINATION: In connection with the performance of work under this Agreement, Unit Operator agrees to comply with all of the provisions of Section 301 (1) to (7) inclusive, of Executive Order 10925, as amended, (28 F.R. 6485), which are incorporated by reference in this Agreement.

SECTION 25. APPEARANCES: Unit Operator shall have the right to appear for or on behalf of any and all interests affected hereby before the Commissioner, the Department, and the Commission, and to appeal from any order issued under the rules and regulations of the Commissioner, the Department, or the Commission, or to apply for relief from any of said rules and regulations or in any proceedings relative to operations before the Commissioner, the Department, or the Commission, or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his or its own expense to be heard in any such proceeding.

SECTION 26. NOTICES: All notices, demands, objections or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if made in writing and personally delivered to the party or parties or sent by postpaid certified mail, addressed to such party or parties at their respective addresses set forth in connection with the signatures hereto or to the ratification or consent hereof or to such other address as any such party or parties may have furnished in writing to the party sending the notice, demand or statement.

SECTION 27. NO WAIVER OF CERTAIN RIGHTS: Nothing in this Agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the State wherein said unitized lands are located, or rules or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

SECTION 28. UNAVOIDABLE DELAY: All obligations under this Agreement requiring the Unit Operator to commence or continue secondary recovery operations or to operate on or produce Unitized Substances from any of the lands covered by this Agreement shall be suspended while, but only so long as the Unit Operator despite the exercise of

due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State or municipal law or agency, unavoidable accident, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

SECTION 29. LOSS OF TITLE: In the event title to any Tract of unitized land shall fail so as to render the Tract inoperable under this Agreement and the true owner cannot be induced to join in this Unit Agreement, such Tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. If the title or right of any party claiming the right to receive in kind all or any portion of the Unitized Substances allocated to a Tract of unitized land is in dispute, Unit Operator, at the discretion of Working Interest Owners shall either:

- (a) require that the party to whom such Unitized Substances are delivered or to whom the proceeds thereof are paid, furnish security for the proper accounting therefor to the rightful owner if the title or right of such party fails in whole or in part, or
- (b) withhold and market the portion of Unitized Substances with respect to which title or right is in dispute, and impound the proceeds thereof until such time as the right or title thereto is established by a final judgment of a court of competent jurisdiction or otherwise to the satisfaction of Working Interest Owners, whereupon the proceeds so impounded shall be paid to the party rightfully entitled thereto;

provided, however, that as to State or Federal land or leases, no payments of funds due the State of New Mexico or the United States of America shall be withheld, but such funds shall be deposited as directed by the Commissioner or the Supervisor (as the case may be), to be held as unearned money pending final settlement of the title dispute and then applied as earned or returned in accordance with such final settlement.

Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

SECTION 30. NONJOINDER AND SUBSEQUENT JOINDER: If the owner of any substantial interest in a Tract within the Unit Area fails or refuses to subscribe, ratify, or consent in writing to this Agreement, the Working Interest Owner in that Tract who has executed or ratified this Agreement may withdraw said Tract from this Agreement by written notice to the Director, the Commissioner, and Unit Operator prior to the effective date of this Agreement. Joinder by any Royalty Owner, at any time, must be accompanied by appropriate joinder of the corresponding Working Interest Owner in order for the interest of such Royalty Owner to be regarded as effectively committed. Joinder to the Unit Agreement by a Working Interest Owner, at any time, must be accompanied by appropriate joinder to the Unit Operating Agreement in

order for such interest to be regarded as effectively committed to this Unit Agreement.

Any oil or gas interest in the lands in the Unit Area not committed hereto prior to submission of this Agreement to the Commissioner and the Director for final approval may thereafter be committed hereto upon compliance with the applicable provisions of this Section and of Section 13 (Tracts Qualified for Participation) hereof, at any time up to the effective date hereof on the same basis of participation as provided in said Section 13 by the owner or owners thereof subscribing, ratifying, or consenting in writing to this Agreement and, if the interest is a Working Interest, by the owner of such interest subscribing also to the Unit Operating Agreement, however, after final approval by the Commissioner of this Agreement, any commitment of State land must be approved by the Commissioner.

It is understood and agreed, however, that from and after the effective date hereof the right of subsequent joinder as provided in this Section shall be subject to such requirements or approvals and on such basis as may be agreed upon by owners of eighty-five percent (85%) of the Working Interest in the unitized land (based upon Unit Participation), subject to the approval of the Commissioner and the Director. Such joinder by a proposed Working Interest Owner must be evidenced by his execution or ratification of this Agreement and the Unit Operating Agreement and where State land is involved, such joinder must be approved by the Commissioner. Such joinder by a proposed Royalty Owner must be evidenced by his execution, ratification or consent of this Agreement and must be consented to in writing by the Working Interest Owner responsible for the payment of any benefits that may accrue hereunder in behalf of such proposed Royalty Owner. Except as may be otherwise herein provided, subsequent joinder to this Agreement shall be effective at 7:00 A.M. as of the first day of the month following the filing with the Commissioner and the Supervisor of duly executed counterparts of any and all documents necessary to establish effective commitment of any Tract or interest to this Agreement, unless objection to such joinder by the Commissioner or the Director is duly made within sixty (60) days after such filing. Notwithstanding any provision to the contrary, any commitment of State of New Mexico land must be approved by the Commissioner.

SECTION 31. COUNTERPARTS: This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties and may be ratified or consented to by separate instrument in writing specifically referring hereto, and shall be binding upon all those parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above-described Unit Area.

SECTION 32. TAXES: Each party hereto shall, for its own account render and pay its share of any taxes levied against or measured by the amount or value of the Unitized Substances produced from the unitized land; provided, however, that if it is required or if it be determined that the Unit Operator or the several Working Interest Owners must pay or advance said taxes for the account of the parties hereto, it is hereby expressly agreed that the parties so paying or advancing

said taxes shall be reimbursed therefor by the parties hereto, including Royalty Owners, who may be responsible for the taxes on their respective allocated share of said Unitized Substances. No such taxes shall be charged to the United States or to the State of New Mexico, nor to any lessor who has a contract with a lessee which requires his lessee to pay such taxes.

SECTION 33. CONFLICT OF SUPERVISION: Neither the Unit Operator nor the Working Interest Owners, nor any of them, shall be subject to any forfeiture, termination or expiration of any rights hereunder or under any leases or contracts subject hereto, or to any penalty or liability on account of delay or failure in whole or in part to comply with any applicable provisions thereof to the extent that the said Unit Operator or the Working Interest Owners, or any of them, are hindered, delayed or prevented from complying therewith by reason of failure of the Unit Operator to obtain, in the exercise of due diligence, the concurrence of proper representatives of the United States and proper representatives of the State of New Mexico in and about any matters or things concerning which it is required herein that such concurrence be obtained. The parties hereto and the Commission agree that all powers and authority vested in the Commission in and by any provisions of this Agreement are vested in the Commission and shall be exercised by it pursuant to the provisions of the laws of the State of New Mexico and subject in any case to appeal or judicial review as may now or hereafter be provided by the laws of the State of New Mexico.

SECTION 34. LIMITATION OF APPROVALS: Notwithstanding anything herein contained to the contrary, if no Federal lands are committed to this Agreement, then no consents or approvals provided herein shall be required of the Department, the Secretary, the Director, or the Supervisor, and it shall not be necessary to file any instrument hereunder with said officers or agencies unless and until Federal lands are so committed to this Agreement; likewise, if no State lands are committed to this Agreement, then no consents or approvals provided herein shall be required of the Commissioner, and it shall not be necessary to file any instrument hereunder with said officer unless and until State lands are so committed to this Agreement.

SECTION 35. BORDER AGREEMENTS: Subject to the approval of the Supervisor and the Commissioner, the Unit Operator, with concurrence of owners of sixty-five percent (65%) of the Working Interest in the unitized land (based upon Unit Participation) may enter into a border protection agreement or agreements with the Working Interest Owners of adjacent lands along the boundaries of the unitized land with respect to the operations in the border area for the maximum ultimate recovery, conservation purposes and proper protection of the parties and interests.

SECTION 36. NO PARTNERSHIP: The duties, obligations, and liabilities of the parties hereto are intended to be several and not joint or collective. This Agreement is not intended to create, and shall not be construed to create, an association or trust, or to impose a partnership duty, obligation or liability with regard to any one or more of the parties hereto. Each party hereto shall be individually responsible for its own obligations as herein provided. This Agreement is not intended to provide, and shall not be construed to provide, directly or indirectly, for any cooperative refining, joint sale, or marketing of Unitized Substances.

SECTION 37. OIL IN LEASE TANKAGE ON EFFECTIVE DATE: Unit Operator shall make a proper and timely gauge of all lease and other tanks on the unitized land in order to ascertain the amount of merchantable oil in such tanks, above the pipeline connections, as of 7:00 A.M. on the effective date hereof. All such oil as is a part of the prior allowable of the well or wells from which the same was produced shall be and remain the property of the Working Interest Owners entitled thereto the same as if the Unit had not been formed, and such Working Interest Owners shall promptly remove said oil from the unitized land. Any such oil not so removed may be sold by the Unit Operator for the account of such Working Interest Owners, subject to the payment of all Royalty to Royalty Owners under the terms and provisions of the applicable lease or leases and other contracts. All such oil and gas as is in excess of the prior allowable of the well or wells from which the same was produced shall be regarded and treated the same as Unitized Substances produced after the effective date hereof. If, as of the effective date hereof, any Tract is overproduced with respect to the allowable of the well or wells on that Tract and the amount of such overproduction has been sold or otherwise disposed of, such overproduction shall be regarded and included as a part of the Unitized Substances produced after the effective date hereof.

SECTION 38. PERSONAL PROPERTY EXCEPTED: All lease and well equipment, materials, and other facilities heretofore or hereafter placed by any of the Working Interest Owners on the lands subject to this Agreement shall be deemed to be and shall remain personal property belonging to and may be removed by the Working Interest Owners. The rights and interests therein as among Working Interest Owners are covered by the Unit Operating Agreement.

SECTION 39. WAIVER OF RIGHT TO PARTITION: Each party hereto covenants that, during the existence of this Agreement, it will not resort to any action to partition the Unit Area as to the Unitized Formation or the personal property and equipment used in the operation thereof, and to that extent waives the benefits of all laws authorizing such partition.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and have set opposite their respective names the date of execution.

TIDEWATER OIL COMPANY

ATTEST:

By _____

Assistant Secretary
Date: _____

UNIT OPERATOR AND WORKING INTEREST
OWNER

ATTEST:

By _____
President

Secretary
Date: _____

ATTEST:

By _____
President

Secretary
Date: _____

ATTEST:

By _____
President

Secretary
Date: _____

ATTEST:

By _____
President

Secretary
Date: _____

ATTEST:

By _____
President

Secretary
Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

WORKING INTEREST OWNERS

ATTEST:

By _____
President

Secretary
Date: _____

ATTEST:

By _____
President

Secretary
Date: _____

ATTEST:

By _____
President

Secretary
Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

ROYALTY INTEREST OWNERS

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, Vice President of TIDEWATER OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, of _____, a corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, of _____, a corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

R 37 E

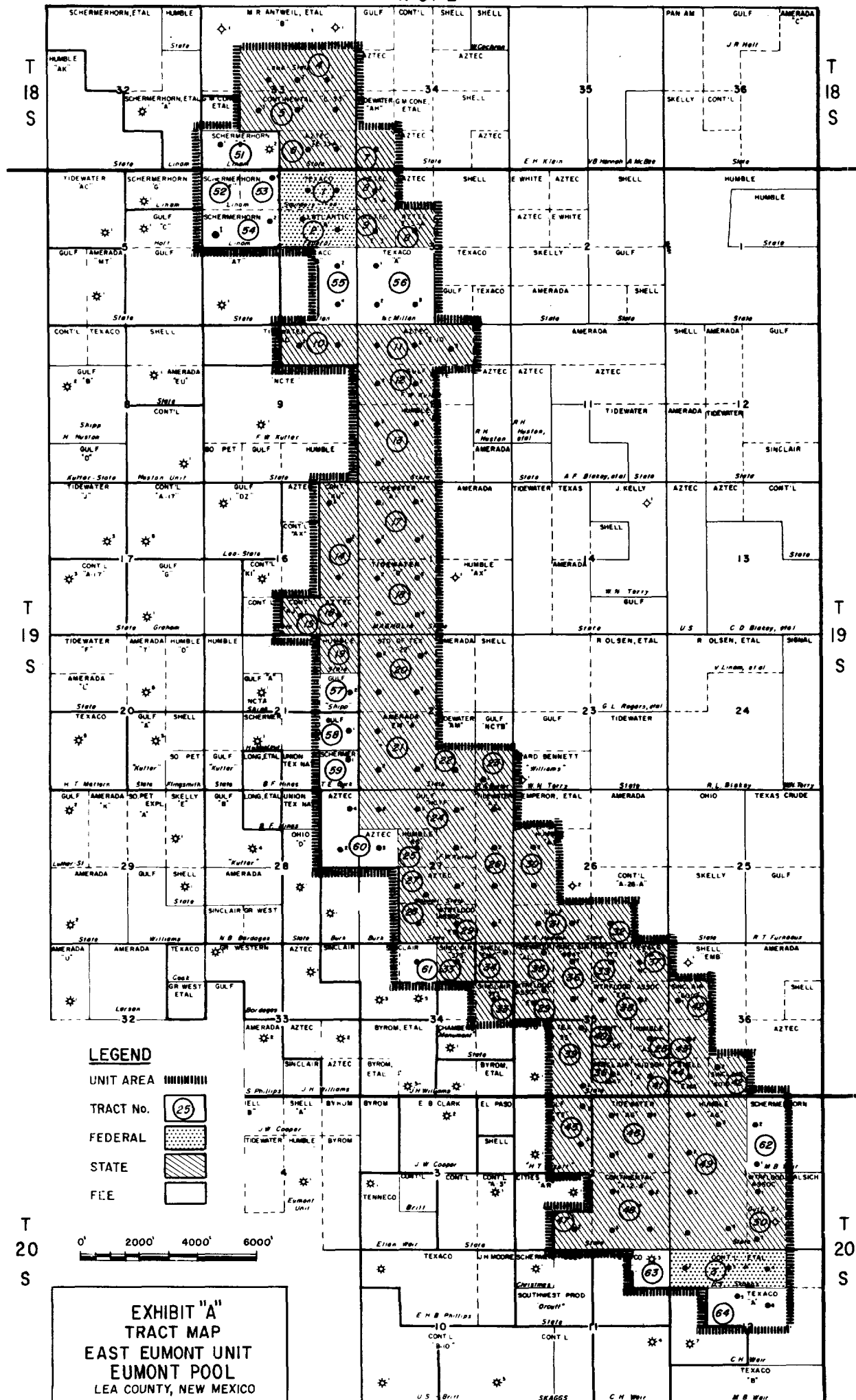


EXHIBIT "B" - PART I

SCHEDULE OF OWNERSHIP OF TRACTS

EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
<u>FEDERAL LANDS</u>									
1	T-19-S, R-37-E 85.21 Sec. 4; Lots 1 and 2		NM-02053 11-1-50	Texaco Inc.	12.5% USA	- 100%	Olen F. Featherstone - 1.0% A. M. Jackson - 1.5% Sue S. Graham - 0.5% Elyse S. Patterson - 0.5% Sally S. Toles - 0.5%	Texaco Inc. - 100%	1.78860
2	T-19-S, R-37-E 80 Sec. 4; S/2 NE/4		NM-029141 11-1-56	The Atlantic Refg. Co.	Schedule "B" USA	- 100%	None	The Atlantic Refg. Co. - 100%	1.09100
3	T-20-S, R-37-E 120 Sec. 12; N/2 NW/4 and NW/4 NE/4		LC 031620(b) 7-2-37	Continental Oil Co., The Atlantic Refg. Co., California Oil Co., and Pan American Pet. Corp., as Trustees for J. M. Skaggs	Sliding Scale (Schedule D) 12.5% to 33-1/3%	- 100%	None	Continental Oil Co. - 25% The Atlantic Refg. Co. - 25% Pan American Pet. Corp. - 25% California Oil Co. - 25%	2.03452

3 Federal Tracts 285.21 Acres or 5.15% of Unit Area

STATE LANDS

4	T-18-S, R-37-E 120 Sec. 33; S/2 NE/4 and SE/4 NW/4		E-7183 6-10-53	Ralph Lowe	12.5% State	- 100%	Ralph Lowe - 6.25% on oil and 12.50% on gas	Morris R. Antweil - 37.5% Jennings Drlg. Co. - 37.5% Bert Fields - 25.0%	1.48607
5	T-18-S, R-37-E 120 Sec. 33; N/2 SE/4 and NE/4 SW/4		B-1533 1/2 12-22-32	Continental Oil Co.	12.5% State	- 100%	None	Continental Oil Co. - 100%	1.52276

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
6	T-18-S, R-37-E Sec. 33: S/2 SE/4	80	E-8568 10-19-54	Aztec Oil & Gas Co.	12.5%	State - 100%	None	Aztec Oil & Gas Co. - 100%	2.22336
7	T-18-S, R-37-E Sec. 34: SW/4 SW/4	40	B-1651 1-23-33	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	0.40326
8	T-19-S, R-37-E Sec. 3: Lot 4 and SE/4 NW/4	82.50	E-6424-1 8-11-62	Aztec Oil & Gas Co.	12.5%	State - 100%	None	Aztec Oil & Gas Co. - 100%	1.05847
9	T-19-S, R-37-E Sec. 3: SW/4 NW/4	40	E-9122 6-21-55	Aztec Oil & Gas Co.	12.5%	State - 100%	None	Aztec Oil & Gas Co. - 100%	1.08250
10	T-19-S, R-37-E Sec. 9: N/2 NE/4	80	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	1.01274
11	T-19-S, R-37-E Sec. 10: N/2 NW/4 and NW/4 NE/4	120	E-6574-1 10-10-52	Aztec Oil & Gas Co.	12.5%	State - 100%	None	Aztec Oil & Gas Co. - 100%	2.12563
12	T-19-S, R-37-E Sec. 10: S/2 NW/4	80	B-246-1 9-30-31	Gypsy Oil Co.	12.5%	State - 100%	None	Gulf Oil Corp. - 100%	0.86151
13	T-19-S, R-37-E Sec. 10: SW/4	160	B-2209 11-7-33	F. Wm. Kutter	12.5%	State - 100%	None	Humble Oil & Refg. Co. - 100%	1.11140
14	T-19-S, R-37-E Sec. 16: E/2 NE/4 and NE/4 SE/4	120	B-243 9-10-31	Gypsy Oil Co.	12.5%	State - 100%	Gulf Oil Corp. - 10.9375%	Continental Oil Co. - 100%	1.59191
15	T-19-S, R-37-E Sec. 16: SW/4 SE/4	40	E-7667 12-15-33	John M. Kelly	12.5%	State - 100%	None	Continental Oil Co. - 100%	0.67564
16	T-19-S, R-37-E Sec. 16: SE/4 SE/4	40	E-5889-1 1-10-52	Aztec Oil & Gas Co.	12.5%	State - 100%	None	Aztec Oil & Gas Co. - 100%	0.44901
17	T-19-S, R-37-E Sec. 15: NW/4	160	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	1.62430
18	T-19-S, R-37-E Sec. 15: SW/4	160	E-2721 6-10-49	Socony-Mobill Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	1.67918
19	T-19-S, R-37-E Sec. 21: NE/4 NE/4	40	B-2209 11-7-33	F. Wm. Kutter	12.5%	State - 100%	None	Humble Oil & Refg. Co. - 100%	0.03614
20	T-19-S, R-37-E Sec. 22: NW/4	160	B-2277 12-7-33	California Oil Co.	12.5%	State - 100%	None	California Oil Co. - 100%	1.69968

*All leases are held by production

EXHIBIT "B" - PART I (Continued) - Page 3

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
21	T-19-S, R-37-E Sec. 22: SW/4	160	A-1469 12-18-28	Amerada Pet. Corp.	12.5%	State - 100%	None	Amerada Pet. Corp. - 100%	3.72152
22	T-19-S, R-37-E Sec. 22: SW/4 SE/4	40	E-6706 12-10-52	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	0.87510
23	T-19-S, R-37-E Sec. 22: SE/4 SE/4	40	B-1973-1 6-10-33	Gypsy Oil Co.	12.5%	State - 100%	None	Gulf Oil Corp. - 100%	0.45332
24	T-19-S, R-37-E Sec. 27: W/2 NE/4 and N/2 NW/4	160	B-246-1 9-10-31	Gypsy Oil Co.	12.5%	State - 100%	None	Gulf Oil Corp. - 100%	4.45109
25	T-19-S, R-37-E Sec. 27: SE/4 NW/4 Sec. 35: NE/4 SE/4	80	E-6888 1-10-53	Humble Oil & Refg. Co.	12.5%	State - 100%	None	Humble Oil & Refg. Co. - 100%	2.01836
26	T-19-S, R-37-E Sec. 27: E/2 E/2	160	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	3.16239
27	T-19-S, R-37-E Sec. 27: NE/4 SW/4 and NW/4 SE/4	80	B-9130-5 5-10-41	Aztec Oil & Gas Co.	12.5%	State - 100%	J. C. Maxwell - 1.5625%	Aztec Oil & Gas Co. - 100%	1.85429
28	T-19-S, R-37-E Sec. 27: SE/4 SW/4	40	B-9130-6 5-10-41	Aztec Oil & Gas Co.	12.5%	State - 100%	Pan American Pet. Corp. - 10.9375%	Aztec Oil & Gas Co. - 100%	0.78365
29	T-19-S, R-37-E Sec. 27: SW/4 SE/4 Sec. 35: SW/4 NW/4	80	A-1543 12-29-28	Gypsy Oil Co.	12.5%	State - 100%	Gulf Oil Corp. J. S. Alcorn and Dorothy Balfour Alcorn - 2.3926%	Waterflood Associates, Inc. R. H. Siegfried, Inc. Staples Oil Co. Mardy's Oil Co. M. W. Staples & T. A. Hester, Trustees for the Martha Lou Hester, Trust - 16.750% - 22.500% - 12.000% - 12.000%	2.22360

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
29	(Continued)								
30	T-19-S, R-37-E 80 Sec. 26: SW/4 NW/4 and NW/4 SW/4	80	B-2736 4-10-34	Wm. A. Hudson and Edward R. Hudson	12.5%	State	- 100%	None	0.66970
31	T-19-S, R-37-E 80 Sec. 26: S/2 SW/4	80	B-2736 4-10-34	Gypsy Oil Co.	12.5%	State	- 100%	None	1.65618
32	T-19-S, R-37-E 40 Sec. 26: SW/4 SE/4	40	B-2656 9-23-33	Continental Oil Co.	12.5%	State	- 100%	None	0.34901
33	T-19-S, R-37-E 120 Sec. 34: NW/4 NE/4 and SE/4 NE/4 Sec. 35: NW/4 NE/4	120	B-274 4-10-45	Sinclair Oil & Gas Co.	12.5%	State	- 100%	None	1.53187
34	T-19-S, R-37-E 40 Sec. 34: NE/4 NE/4	40	A-1118 9-15-28	Shell Oil Co.	12.5%	State	- 100%	None	1.00413
35	T-19-S, R-37-E 40 Sec. 35: NW/4 NW/4	40	B-1651 1-23-33	Tidewater Oil Co.	12.5%	State	- 100%	None	0.82858
36	T-19-S, R-37-E 120 Sec. 35: E/2 NW/4 and SW/4 SE/4	120	E-5553 9-10-51	Sinclair Oil & Gas Co.	12.5%	State	- 100%	None	3.14492
37	T-19-S, R-37-E 40 Sec. 35: NE/4 NE/4	40	E-5458 8-10-51	Texaco Inc.	12.5%	State	- 100%	None	0.33781
38	T-19-S, R-37-E 80 Sec. 35: S/2 NE/4	80	E-5553 9-10-51	Southern Production Co.	12.5%	State	- 100%	Sinclair Oil & Gas Co. - 13.12500% Chase Manhat- tan Bank for the Acct. of Southern Produc- tion Co. - 4.15625% J. S. Alcorn and	1.41722
								Waterflood Associates, - 16.750% R. H. Siegfried, Inc. - 22.500% Staples Oil Co. - 12.000% Mardy's Oil Co. - 12.000% M. W. Staples & T. A. Hester,	

*All leases are held by production

EXHIBIT "B" - PART I (Continued) - Page 5

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICI- PATION
38 (Continued)									
39	T-19-S, R-37-E, 80 Sec. 35: E/2 SW/4	40	B-2277 12-7-33	California Oil Co.	12.5%	State	Dorothy Balfour Alcorn - 2.56348%	Trustees for the Martha Lou Hester, Trust - 10.375% T. A. Hester, Inc. - 10.000% Hester Oil Co. - 10.000% Marjalu Oil Co. - 6.375%	2.20701
40	T-19-S, R-37-E, 40 Sec. 35: NW/4 SE/4	40	B-2656 9-23-33	Continental Oil Co.	12.5%	State	None	Continental Oil Co. - 100%	1.22348
41	T-19-S, R-37-E, 40 Sec. 35: SE/4 SE/4	40	B-2736-9 4-10-34	William A. Hudson and Edward R. Hudson	12.5%	State	None	William A. Hudson and Edward R. Hudson - 85.000% Anita G. Moore, Independent Executrix under Will of Chas. H. Moore, De- ceased - 2.280% B. D. Moore, Jr. and Eleanor Moore - 2.280% Frances Moore Shelton and Kenneth Shelton - 2.280% David W. Moore and Mary Lea Moore - 2.280%	1.10427

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
41	(Continued)								
								First Hutchings-Sealy Nat'l Bank of Galveston, Agent for: John Knox Hutchings Moore - 0.765% First Nat'l Bank of Roswell, Gdn. of Donald Bartlett Moore, a Minor - 0.765% First Hutchings-Sealy Nat'l Bank of Galveston, Trustee of Frances B. Moore, - 3.600% Carol Pauls Moore, a Widow - 0.750%	
42	T-19-S, R-37-E 80 Sec. 36: SE/4 SW/4 and SW/4 NW/4	80	B-1581 1-4-33	Sinclair Oil & Gas Co.	12.5%	State - 100%	None	Sinclair Oil & Gas Co. - 100%	0.45169
43	T-19-S, R-37-E 40 Sec. 36: NW/4 SW/4	40	E-5674 10-10-51	Shell Oil Co.	12.5%	State - 100%	None	Shell Oil Co. - 100%	0.50171
44	T-19-S, R-37-E 40 Sec. 36: SW/4 SW/4	40	B-1167 9-6-32	Shell Oil Co.	12.5%	State - 100%	None	Shell Oil Co. - 100%	0.82910
45	T-20-S, R-37-E 80.60 Sec. 2: Lot 3, NE/4 NW/4 and SE/4 NW/4	80.60	B-244-1 9-10-31	Gypsy Oil Co.	12.5%	State - 100%	None	Gulf Oil Corp. - 100%	2.64894
46	T-20-S, R-37-E 160.79 Sec. 2: Lots 1 and 2 and S/2 NE/4	160.79	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	4.88682

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
47	T-20-S, R-37-E Sec. 2: SE/4 SW/4	40	B-1481 12-19-32	Empire Gas & Fuel Co.	12.5%	State - 100%	None	Cities Service Oil Co. - 100%	0.25820
48	T-20-S, R-37-E Sec. 2: SE/4	160	B-2656 9-23-33	Continental Oil Co.	12.5%	State - 100%	None	Continental Oil Co. - 100%	6.57572
49	T-20-S, R-37-E Sec. 1: Lots 3 and 4, S/2 NW/4 and SW/4	320.39	B-935 6-6-32	Humble Oil & Refg. Co.	12.5%	State - 100%	None	Humble Oil & Refg. Co. - 100%	7.80215
50	T-20-S, R-37-E Sec. 1: W/2 SE/4	80	B-6022 2-11-52	Gulf Oil Corp.	12.5%	State - 100%	Gulf Oil Corp. - 10.9375%	Waterflood Associates, Inc. - 16.750% R. H. Siegfried, Inc. - 22.500% Staples Oil Co. - 12.000% Mardy's Oil Co. - 12.000% M. W. Staples & T. A. Hester, Trustees for the Martha Lou Hester, Trust T. A. Hester, Inc. - 10.000% Hester Oil Co. - 10.000% Marjalu Oil Co. - 6.375%	1.01354

47 State Tracts 4,284.28 Acres or 77.40% of Unit Area

FEE LANDS

51	T-18-S, R-37-E Sec. 33: S/2 SW/4	80	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and Gordon M. Cone	12.5%	New Mexico Bank & Trust Co., Trustee of Klein Trust - 12.500%	G. M. Cone - 5.46875% on gas	Gordon M. Cone - 50% on oil Lovington Abstract Co. - 50% on gas	0.45103
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*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
52	T-19-S, R-37-E Sec. 4: Lot 4	42.77	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and J. U. Cone, Trustee for Kenneth Cone, Clifford Cone, Douglas Cone, Thomas Cone and Cathie Cone Trusts	12.5%	J. Hiram Moore - 12.500%	Virgil Linam and Thelma A. Linam - 37.50%	Schermerhorn Oil Corp. - 25%	0.03864
						Virgil Linam and Thelma A. Linam - 2.05078%	Gordon M. Cone - 50%		
						Ruth Van-dagriff and T. E. Van-dagriff - 0.68359%	Schermerhorn Oil Corp. - 25%		
53	T-19-S, R-37-E Sec. 4: Lot 3	42.70	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and J. U. Cone, Trustee for Kenneth Cone, Clifford Cone, Douglas Cone, Thomas Cone and Cathie Cone Trusts	12.5%	Virgil Linam and Thelma A. Linam - 18.750%	Gordon M. Cone - 5.46875%	Lovington Abstract Co. - 50%	0.83089
						Ruth Van-dagriff and T. E. Van-dagriff - 12.500%	J. U. Cone, Trustee for the Cone Trusts - 50%		
						Walter T. Linam and Ruth B. Linam - 12.500%	Schermerhorn Oil Corp. - 25%		
			12-9-53	Same as above	25%			Kenwood Oil Co. - 25%	

*All leases are held by production

EXHIBIT "B" - PART I (Continued) - Page 9

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
53	(Continued)					New Mexico Bank & Trust Co., Trustee of Carlin Trust - 9.375% Lois R. Linam - 12.500% New Mexico Bank & Trust Co., Trustee of Klein Trust - 9.375% Geo. Etz - 6.250% M. W. Coll - 12.500% A. N. Etz - 6.250%			
54	T-19-S, R-37-E Sec. 4: S/2 NW/4	80	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and Gordon M. Cone Same as above	12.5%	Virgil Linam and Thelma A. Linam - 25.000% H. T. Moore - 2.500% J. H. Moore - 12.500% New Mexico Bank & Trust Co., Trustee of Carlin Trust - 12.500% New Mexico Bank & Trust Co., Trustee of Klein Trust - 12.500% Myrtle Pevehouse - 5.625% Gordon M. Cone - 29.375%	Gordon M. Cone - 5.46875% on gas	Gordon M. Cone - 50% on oil Lovington Abstract Co. - 50% on gas Schermerhorn Oil Corp. - 25% Kenwood Oil Co. - 25%	1.55607
55	T-19-S, R-37-E Sec. 4: E/2 SE/4	80	9-12-39 4-10-40	Texaco Inc. Texaco Inc.	12.5% 12.5%	Alma Goodwin - 16.6666% Aulena Jennings - 16.6667% Neil DeForest - 16.6667% M. W. Coll - 12.5000% Estate - 12.5000%	None	Texaco Inc. The Fluor Corp. - 75% - 25%	1.70695

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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
55	(Continued)					Geo. Etz - 6.2500% A. N. Etz, II - 3.1250% Robert Etz - 3.1250% The Fluor Corp. - 25.0000%	None		
56	T-19-S, R-37-E Sec. 3: SW/4	160	9-16-46 9-13-55	Texaco Inc. Texaco Inc.	12.5% 12.5%	Alma Goodwin - 16.6666% Aulena Jennings - 16.6667% Nell DeForest - 16.6667% M. W. Coll Estate - 12.5000% Geo. Etz - 6.2500% A. N. Etz, II - 3.1250% Robert Etz - 3.1250% The Fluor Corp. - 25.0000%	None	Texaco Inc. The Fluor Corp.	75% 25%
57	T-19-S, R-37-E Sec. 21: SE/4 NE/4	40	11-16-28	F. L. Luckel	12.5%	R. H. Huston - 48.4376% R. H. Huston, Jr. - 26.5624% Southern Minerals Corp. - 5.0000% Sparks Healey Co. - 6.664% Graridge Corp. - 13.3336%	None	Gulf Oil Corp.	0.11350 100%
58	T-19-S, R-37-E Sec. 21: NE/4 SE/4	40	11-16-28	F. L. Luckel	12.5%	Southern Minerals Corp. - 20.0000% Sparks Healey Co. - 5.0000% Elyse Saunders Patterson- 1.0416% Sue Saunders Graham - 1.0416%	None	Gulf Oil Corp.	0.33928 100%

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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
58	(Continued)					Sally Saunders - 1.0416% Toles C. G. Staley - 2.0832% Harry M. Walker - 4.1672% Herman R. Crile - 1.5624% J. B. Headley - 1.5624% E. Grace Huston - 12.5000% R. H. Huston - 50.0000%			
59	T-19-S, R-37-E 40 Sec. 21: SE/4 SE/4	40	11-12-53	Schermerhorn Oil Corp., Kenwood Oil Co., and J. Hiram Moore	12.5%	T. E. Burk and Pauline Burk - 100%	None	Schermerhorn Oil Corp. - 37.5% Kenwood Oil Co. - 37.5% J. Hiram Moore - 25.0%	1.03360
60	T-19-S, R-37-E 120 Sec. 27: SW/4 NW/4 Sec. 28: E/2 NE/4	120	9-10-42	Aztec Oil & Gas Co.	12.5%	Samuel T. Burk and Josie M. Burk - 100%	Cities Service Pet. Co. - 5.46875% on oil and casinghead gas and 2.734375% on all other gas	Aztec Oil & Gas Co. - 100%	2.12081
61	T-19-S, R-37-E 40 Sec. 34: NE/4 NW/4	40	5-12-26	Sinclair Oil & Gas Co.	12.5%	Paul D. Anderson - 0.3472% P. V. Anderson - 0.3472% Frank Bateman - 1.5000% A. L. Childers - 2.3611% Julia Cleo Culp - 9.3750% J. H. Elder - 4.7500% L. R. Forrester - 0.1806% R. B. Lambert - 1.3889%	None	Sinclair Oil & Gas Co. - 100%	0.59318

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
61	(Continued)					C. E. Oberholtzer - 2.7780% Mrs. W.H. Patten - 11.1111% Ralph L. Royster - 0.6944% Tommie Schmidt - 5.7639% A. R. Schwertfeger - 9.9306% Marie J. Self - 0.6944% Martin Hughes Estate - 0.8333% F. W. Covault Estate - 0.6944% Evelyn K. Meier, Admx. of the Estate of Geo. Meier, Deceased - 2.0833% H. A. Taylor - 6.6667% Henry H. Taylor - 14.4097% J. L. Taylor and E. Taylor - 1.3889% Jonnie S. Taylor - 1.2413% J. S. Taylor, Gdn. of R. R. Taylor, a Minor - 3.7239% J. J. Whitsitt - 0.6944% Mae Williams - 9.9306% Florence Woods - 7.1111%			
62	T-20-S, R-37-E 80.1 Sec. 1: Lot 2 and SW/4 NE/4	80.1	4-19-54	Schermerhorn Oil Corp. and Kenwood Oil Co.	12.5%	Mrs. Bert Ellen Weir Camp Clarabel Weir Tanner	None	Schermerhorn Oil Corp. Kenwood Oil Co.	1.04210 - 50% - 50%

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
63	T-20-S, R-37-E 40 Sec. 11: NE/4 NE/4		3-3-43 3-30-43 3-27-52 4-27-53 8-28-50	Texaco Inc. Texaco Inc. Texaco Inc. Texaco Inc. Cities Service Oil Co.	12.5% 12.5% 12.5% 25.0% 25.0% 12.5%	C. H. Weir and Theo Weir - 6.25000% J. E. Vaeth and Anna L. Vaeth - 1.56250% Virgil Linam and Thelma A. Linam - 3.12500% New Mexico Bank & Trust Co., Trustee of Carlin Trust - 1.56250% New Mexico Bank & Trust Co., Trustee of Klein Trust - 1.56250% The Atlantic Refg. Co. and Chase Manhattan Bank - 23.43750% Boyce Rush Davis and Willard L. Davis - 0.78125% Ruth R. Weaver and Donald C. Weaver - 0.78125% Lula Rush Blair and L. L. Blair - 1.56250% W. W. Lechner and Ruth H. Lechner - 3.12500%	None	Texaco Inc. The Fluor Corp. Cities Service Oil Co.	50% 25% 25%

*All leases are held by production

EXHIBIT "B" - PART I (Continued) - Page 15

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
64	(Continued)					Mabee Royalties, Inc. - 18.7500%			
						E. M. Johnson - 6.2500%			
						Lois Birge - 3.1250%			
						L. W. Johnson - 3.1250%			
						J. O. Compton - 6.2500%			
						L. O. Wise - 6.2500%			
						The Fluor Corp. - 25.0000%			

14 Fee Tracts 965.57 Acres or 17.45% of Unit Area

RECAPITULATION - EAST EUMONT UNIT AREA:

3 Federal Tracts	285.21 acres	5.15%
47 State Tracts	4,284.28 acres	77.40%
14 Fee Tracts	965.57 acres	17.45%
	5,535.06 acres	100.00%

*All leases are held by production

EXHIBIT "B" - PART II

RECAPITULATION - UNIT PARTICIPATION

EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

<u>WORKING INTEREST OWNERS</u>	<u>PERCENT UNIT PARTICIPATION IN UNIT AREA</u>
Amerada Petroleum Corporation -----	3.72152
Morris R. Antweil -----	0.55728
The Atlantic Refining Company -----	1.59963
Aztec Oil and Gas Company -----	11.69772
California Oil Company -----	4.41532
Cities Service Oil Company -----	0.33417
Gordon M. Cone and Lovington Abstract Company* -----	1.02288
J. U. Cone, Trustee of Cone Trusts and Lovington Abstract Company* -----	0.41545
Continental Oil Company -----	12.44715
Bert Fields -----	0.37151
First Hutchings-Sealy National Bank of Galveston, Trustee of Frances B. Moore -----	0.03975
First Hutchings-Sealy National Bank of Galveston, Agent for: John Knox Hutchings Moore -----	0.00845
First National Bank of Roswell, Guardian of Donald Bartlett Moore, a Minor -----	0.00845
The Fluor Corporation -----	1.58446
Gulf Oil Corporation -----	10.52382
M. W. Staples and T. A. Hester, Trustees for the Martha Lou Hester, Trust -----	0.48289
Hester Oil Company -----	0.46543
T. A. Hester, Inc. -----	0.46543
William A. Hudson and Edward R. Hudson -----	0.93862
Humble Oil & Refining Company -----	11.63775
Jennings Drilling Company -----	0.55728
Kenwood Oil Company -----	1.62779
Mardy's Oil Company -----	0.55853
Marjalu Oil Company -----	0.29671
Anita G. Moore, Independent Executrix of Will of Charles H. Moore, Deceased -----	0.02518
B. D. Moore, Jr. and Eleanor Moore -----	0.02518
Carol Pauls Moore -----	0.00828
David W. Moore and Mary Lea Moore -----	0.02518
J. Hiram Moore -----	0.25840
Pan American Petroleum Corporation -----	0.50863
Schermerhorn Oil Corporation -----	1.62781
Shell Oil Company -----	2.33494
Frances Moore Shelton and Kenneth Shelton -----	0.02518
R. H. Siegfried, Inc. -----	1.04723
Sinclair Oil & Gas Company -----	5.72166
Staples Oil & Gas Company -----	0.55853
Texaco Inc. -----	6.80383
Tidewater Oil Company -----	14.47237
Water Flood Associates, Inc. -----	0.77961
	<u>100.00000</u>

*As to these interests Lovington Abstract Company owns the gas rights and Gordon M. Cone and J. U. Cone, Trustee of the Cone Trusts, respectively, own the oil rights.

UNIT OPERATING AGREEMENT

EAST EUMONT UNIT

County of Lea

State of New Mexico

UNIT OPERATING AGREEMENT

EAST EUMONT UNIT

Lea County, New Mexico

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ARTICLE 23
SUCCESSORS AND ASSIGNS

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EXHIBITS

EXHIBIT "C":	Schedule of Unit Participation
EXHIBIT "D":	Accounting Procedure
EXHIBIT "E":	Insurance Coverage

UNIT OPERATING AGREEMENT

EAST EUMONT UNIT

Lea County, New Mexico

THIS AGREEMENT, entered into as of the 1st day of September, 1964, by and between the parties who execute or ratify this Agreement.

W I T N E S S E T H:

WHEREAS, the parties hereto as Working Interest Owners have executed as of the date hereof, that certain Unit Agreement for The Development and Operation of the EAST EUMONT UNIT AREA, Lea County, New Mexico, hereinafter referred to as "Unit Agreement," and which, among other things, provides for a separate agreement to be made and entered into by and between Working Interest Owners pertaining to the development and operation of the Unit Area therein defined;

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, it is agreed as follows:

ARTICLE 1

CONFIRMATION OF UNIT AGREEMENT

1.1 Confirmation of Unit Agreement. The Unit Agreement is hereby confirmed and incorporated herein by reference and made a part of this Agreement. The definitions in the Unit Agreement are adopted for all purposes of this Agreement. In the event of any conflict between the Unit Agreement and this Agreement, the Unit Agreement shall prevail.

ARTICLE 2

EXHIBITS

2.1 Exhibits. The following exhibits are incorporated herein by reference:

2.1.1 Exhibits "A" and "B" of the Unit Agreement.

2.1.2 Exhibit "C", attached hereto, which is a schedule showing the total Unit Participation of each Working Interest Owner.

2.1.3 Exhibit "D", attached hereto, which is the Accounting Procedure applicable to development and operation of the Unit Area. In the event of conflict between this Agreement and Exhibit "D", this Agreement shall prevail.

2.1.4 Exhibit "E", attached hereto, which contains insurance provisions applicable to operations hereunder.

2.2 Revision of Exhibits. Whenever Exhibits "A" and "B" are revised, Exhibit "C" shall be revised accordingly and be effective as of the same date.

ARTICLE 3

SUPERVISION OF OPERATIONS BY WORKING INTEREST OWNERS

3.1 Overall Supervision. Working Interest Owners shall exercise overall supervision and control of all matters pertaining to the development and operation of the Unit Area pursuant to this Agreement and the Unit Agreement. In the exercise of such power each Working Interest Owner shall act solely in its own behalf in the capacity of the individual owner and not on behalf of the owners as an entirety.

3.2 Particular Powers and Duties. The matters to be passed upon and decided by Working Interest Owners shall include, but not be limited to, the following:

3.2.1 Method of Operation. The kind, character and method of operation, including any type of pressure maintenance or secondary recovery program to be employed.

3.2.2 Drilling of Wells. The drilling of any well within the Unit Area either for production of Unitized Substances, for use as an injection well, or for other purposes.

3.2.3 Well Recompletion and Change of Status. The recompletion, abandonment, or change of status of any well in the Unit Area or use of any such well for injection or other purposes.

3.2.4 Expenditures. Making of any single expenditure in excess of Ten Thousand and No/100 (\$10,000.00) Dollars; provided that approval by Working Interest Owners of the drilling, reworking, drilling deeper, or plugging back of any well shall include approval of all necessary expenditures required therefor and for completing, testing and equipping the same, including necessary flow lines, separators and lease tankage.

3.2.5 Disposition of Surplus Facilities. Selling or otherwise disposing of any major item of surplus unit material or equipment, the current list price of new equipment similar thereto being Two Thousand Five Hundred and No/100 (\$2,500.00) Dollars or more.

3.2.6 Appearance Before a Court or Regulatory Body. The designation of a representative to appear before any court or regulatory body in matters pertaining to Unit Operations; provided, however, such designation by Working Interest Owners shall not prevent any Working Interest Owner at its own expense from appearing in person or from designating another representative in its own behalf.

3.2.7 Audits. The making of proper audits of the accounts of Unit Operator pertaining to operations hereunder; provided that such audits shall:

- (a) not be conducted more than once each year except upon the resignation or removal of Unit Operator;
- (b) be made at the expense of all said Working Interest Owners other than the Working Interest Owner designated as Unit Operator; and
- (c) be upon not less than thirty (30) days' written notice to Unit Operator.

3.2.8 Inventories. The taking of periodic inventories under the terms of Exhibit "D".

3.2.9 Technical Services. Any direct charges to the joint account for services by consultants or Unit Operator's technical personnel not covered by the overhead charges provided by Exhibit "D".

3.2.10 Appointment of Committees. The appointment or designation of committees or subcommittees necessary for the study of any problem in connection with Unit Operations.

3.2.11 The removal of Unit Operator and the selection of a successor as provided in the Unit Agreement.

3.2.12 The enlargement of the Unit Area.

3.2.13 The adjustment and readjustment of investments.

3.2.14 The termination of the Unit Agreement.

ARTICLE 4

MANNER OF EXERCISING SUPERVISION

4.1 Designation of Representatives. Each Working Interest Owner shall advise Unit Operator in writing the names and addresses of its representative and alternate representative authorized to represent and bind it in respect to any matter pertaining to the development and operation of the Unit Area. Such representative or alternate representative may be changed from time to time by written notice to Unit Operator.

4.2 Meetings. All meetings of Working Interest Owners for the purpose of considering and acting upon any matter pertaining to the development and operation of the Unit Area shall be called by Unit Operator upon its own motion or at the request of two (2) or more Working Interest Owners with a combined Unit Participation of not less than ten (10%) percent. No meeting shall be called on less than fourteen (14) days' advance written notice, with agenda for the meeting attached. The Working Interest Owners shall not be prevented from amending items included in the agenda or from adding items to the agenda,

provided such amendments or additions to the agenda are submitted in writing to all Working Interest Owners at least five (5) days in advance of the meeting. No item shall be voted upon at such meeting which has not been placed on the agenda in accordance with the terms of this Article 4.2 except by unanimous consent of Working Interest Owners. The representative of Unit Operator shall be chairman of each meeting.

4.3 Voting Procedure. Working Interest Owners shall act upon and determine all matters coming before them as follows:

4.3.1 Voting Interest. In voting on any matter each Working Interest Owner shall have a voting interest equal to its percentage in Unit Participation as shown in Exhibit "C", and such revisions thereof as may hereafter be made in accordance with the terms of this Agreement.

4.3.2 Vote Required. Except as may otherwise be provided herein or in the Unit Agreement, Working Interest Owners shall act upon and determine all matters coming before them by the affirmative vote of at least three (3) Working Interest Owners owning at least fifty-five (55%) percent of the voting interest; provided, however, that if any Working Interest Owner owns a voting interest of forty-five (45%) percent or more, its negative vote or failure to vote shall not serve to disapprove any action supported by a majority of the voting interest unless such Working Interest Owner is supported by two (2) or more of the remaining Working Interest Owners having a total voting interest of at least four (4%) percent, and such resulting vote shall be binding on all parties.

4.3.3 Vote at Meeting by Nonattending Working Interest Owner. Any Working Interest Owner not represented at a meeting may vote on any item included in the agenda of the meeting by letter or telegram addressed to the chairman of the meeting, provided such vote is received prior to the submission of such item to vote.

4.3.4 Poll Votes. Working Interest Owners may decide any matter by vote taken by letter or telegram, provided the matter is first submitted in writing to each Working Interest Owner and no meeting on the matter is called as provided in Article 4.2, within seven (7) days after such proposal is served on Working Interest Owners. Unit Operator will give prompt notice of the results of such voting to all Working Interest Owners.

ARTICLE 5

INDIVIDUAL RIGHTS AND PRIVILEGES OF WORKING INTEREST OWNERS

5.1 Reservation of Rights. Working Interest Owners severally reserve to themselves all their rights, power, authority and privileges,

except as expressly provided in this Agreement and the Unit Agreement.

5.2 Specific Rights. Each Working Interest Owner shall have, among others, the following specific rights and privileges:

5.2.1 Access to Unit Area. Access to the Unit Area at all reasonable times to inspect the operations hereunder and all wells and records and data pertaining thereto.

5.2.2 Reports by Request. The right to receive from Unit Operator, upon written request, copies of all reports to any governmental agency, reports of crude oil runs and stocks, inventory reports and all other information pertaining to Unit Operations. The cost of gathering and furnishing information not ordinarily furnished by Unit Operator to all Working Interest Owners shall be charged to the Working Interest Owner who requests the information.

ARTICLE 6

UNIT OPERATOR

6.1 Initial Unit Operator. Tidewater Oil Company, a Delaware corporation, is hereby designated as Initial Unit Operator.

6.2 Resignation or Removal -- Selection of Successor. The resignation or removal of Unit Operator, and the selection of a successor shall be governed by the provisions of the Unit Agreement.

ARTICLE 7

POWERS AND DUTIES OF UNIT OPERATOR

7.1 Exclusive Right to Operate Unit. Subject to the provisions of this Agreement and to the orders, directions and limitations rightfully given or imposed by Working Interest Owners, Unit Operator shall have the exclusive right and duty to develop and operate the Unit Area for the production of Unitized Substances.

7.2 Workmanlike Conduct. Unit Operator shall conduct all operations hereunder in a good and workmanlike manner, and, in the absence of specific instructions from Working Interest Owners, shall have the right and duty to conduct such operations in the same manner as would a prudent operator under the same or similar circumstances. Unit Operator shall freely consult with Working Interest Owners and keep them advised of all matters arising in connection with such operations which Unit Operator, in the exercise of its best judgment, considers important. Unit Operator shall not be liable for damages unless such damages result from the gross negligence or willful misconduct of Unit Operator.

7.3 Liens and Encumbrances. Unit Operator shall endeavor to keep the lands and leases in the Unit Area free from all liens and encumbrances occasioned by its operations hereunder, except the lien of Unit Operator granted hereunder.

7.4 Employees. The number of employees used by Unit Operator in conducting operations hereunder, the selection of such employees,

the hours of labor, and the compensation for services to be paid any and all such employees shall be determined by Unit Operator. Such employees shall be the employees of Unit Operator.

7.5 Records. Unit Operator shall keep true and correct books, accounts and records of its operations hereunder.

7.6 Reports to Working Interest Owners. Unit Operator shall furnish to each Working Interest Owner periodic reports of the development and operation of the Unit Area.

7.7 Reports to Governmental Authorities. Unit Operator shall make all necessary reports to governmental authorities.

7.8 Engineering and Geological Information. Unit Operator shall furnish to each Working Interest Owner, upon written request, a copy of the log of, and copies of engineering and geological data pertaining to, wells drilled by Unit Operator for the joint account.

7.9 Expenditures. Unit Operator is authorized to make single expenditures not in excess of Ten Thousand and No/100 (\$10,000.00) Dollars without prior approval of Working Interest Owners; provided, however, that nothing in this Article (nor in Article 3.2.4) shall be deemed to prevent Unit Operator from making an expenditure in excess of said amount if such expenditure becomes necessary because of a sudden emergency which may otherwise cause loss of life or extensive damage to property. Unit Operator will report to Working Interest Owners the nature of the emergency as soon as possible and the action taken.

7.10 Settlements. Unit Operator may settle any single damage claim not involving an expenditure in excess of Two Thousand Five Hundred and No/100 (\$2,500.00) Dollars, provided such payment is a complete settlement of such claim. All settlements in excess of \$2,500.00 must be approved by Working Interest Owners.

ARTICLE 8

TAXES

8.1 Ad Valorem Taxes. Unit Operator, beginning the first day of the next calendar year after the effective date hereof, shall make and file for ad valorem tax purposes all necessary renditions and returns with the proper taxing authorities or governmental subdivisions covering all real and personal property of each Working Interest Owner within the Unit Area and used in connection with the development and operation of the Unit Area. Any Working Interest Owner dissatisfied with any proposed rendition or assessment of its interest in real or personal property shall have the right, at its own expense, to protest and resist the same. All such ad valorem taxes due and payable on account of real and personal property of each Working Interest Owner located within the Unit Area and used in connection with Unit Operations shall be paid by Unit Operator for the joint account in the same manner as other costs and expenses of Unit Operations; provided that, if the interest of a Working Interest Owner is subject to a separately assessed overriding royalty interest, production payment, or other interest in excess of one-eighth (1/8)

royalty, such Working Interest Owner shall be given credit for the reduction in taxes paid resulting therefrom.

8.2 Direct Taxes and Assessments. Each Working Interest Owner shall pay or cause to be paid all production, severance, gathering and other direct taxes and assessments imposed upon or on account of the production or handling of its share of Unitized Substances.

ARTICLE 9

INSURANCE

9.1 Insurance. As to all operations hereunder, Unit Operator shall carry for the benefit and protection of the Working Interest Owners insurance coverage as provided in Exhibit "E". Unit Operator shall require its contractors and subcontractors to carry such insurance and in such amounts as the Working Interest Owners shall deem necessary.

ARTICLE 10

ADJUSTMENT OF INVESTMENT

10.1 Personal Property Taken Over. Upon the effective date hereof, Working Interest Owners shall deliver to Unit Operator the following:

10.1.1 Wells and Casing. All wells completed in the Unitized Formation together with the casing therein, including casing fittings through the casinghead;

10.1.2 Well and Lease Equipment. The tubing and rods in each such well, together with the wellhead connections thereon, and all other lease and operating equipment used in the operation of such wells which Working Interest Owners determine is necessary or desirable for conducting Unit Operations; and

10.1.3 Records. A copy of all production and well records that pertain to such wells.

10.2 Inventory and Evaluation of Personal Property. Working Interest Owners shall at Unit Expense, under the supervision of Unit Operator, inventory and evaluate in accordance with the provisions of Exhibit "D" all personal property so taken over. Such inventory and evaluation shall, however, be limited to those items of equipment normally considered controllable, with the exception of sucker rods and such other items as may be agreed to by Working Interest Owners, as recommended in the Material Classification Manual published by the Petroleum Accountants Society of Oklahoma in 1960. Non-controllable items, although excluded from the inventory and evaluation, shall nevertheless be taken over by Unit Operator as provided in Article 10.1 hereof. Casing shall be assigned no value.

10.3 Investment Adjustment. Upon approval by Working Interest Owners of the inventory and evaluation, each Working Interest Owner shall be credited with the value of its interest in all personal property taken over under Article 10.1.2 and shall be charged with an amount equal to

that obtained by multiplying the total value of all personal property taken over under Article 10.1.2 by such Working Interest Owner's Unit Participation as shown on Exhibit "C" hereof. If the charge against any Working Interest Owner is greater than the amount credited to such Working Interest Owner, the resulting net charge shall be an item of Unit Expense chargeable against such Working Interest Owner. If the credit to any Working Interest Owner is greater than the amount charged against such Working Interest Owner, the resulting net credit shall be paid to such Working Interest Owner by Unit Operator out of funds received by it in settlement of the net charges described herein.

10.4 General Facilities. The acquisition of warehouses, warehouse stocks, lease houses, camps, facility systems, and office buildings necessary for Unit Operations shall be by negotiation by the owners thereof and Unit Operator, subject to the approval of Working Interest Owners.

10.5 Ownership of Personal Property and Facilities. Each Working Interest Owner, individually, shall by virtue hereof own an undivided interest equal to its Unit Participation in all personal property and facilities taken over or otherwise acquired by Unit Operator pursuant to this Agreement.

ARTICLE 11

DEVELOPMENT AND OPERATING COSTS

11.1 Basis of Charge to Working Interest Owners. Unit Operator initially shall pay and discharge all costs and expenses incurred in the development and operation of the Unit Area. Each Working Interest Owner shall reimburse Unit Operator for its share of such costs and expenses. Each Working Interest Owner's share shall be the same as its Unit Participation as reflected on Exhibit "C" in effect at the time the costs and expenses are incurred. All charges, credits and accounting for costs and expenses shall be in accordance with Exhibit "D".

11.2 Budgets. Before or as soon as practical after the effective date hereof, Unit Operator shall prepare a budget of estimated costs and expenses for the remainder of the calendar year, and on or before the first day of each October thereafter shall prepare a budget of estimated costs and expenses for the ensuing calendar year. Such budgets shall set forth the estimated costs and expenses by quarterly periods. Unless otherwise specified in the budget, it shall be presumed for the purpose of advance billings that the estimated costs and expenses for each month of a quarterly period shall be one-third (1/3) of the estimate for the quarterly period. Budgets so prepared shall be estimates only and shall be subject to adjustment and correction by Working Interest Owners and Unit Operator from time to time whenever it shall appear that an adjustment or correction is proper. A copy of each such budget and adjusted budget shall be promptly furnished each Working Interest Owner.

11.3 Advance Billing. Unit Operator shall have the right at its option to require Working Interest Owners to advance their respective proportion of such costs and expenses by submitting to Working Interest Owners, on or before the 15th day of any month, an itemized estimate of

such costs and expenses for the succeeding month with a request for payment in advance. Within fifteen (15) days after receipt thereof, each Working Interest Owner shall pay to Unit Operator its proportionate part of such estimate. Adjustment between estimates and the actual costs shall be made by Unit Operator at the close of each calendar month, and the accounts of the Working Interest Owners shall be adjusted accordingly. Where such estimates include materials to be acquired, Working Interest Owners may have the option of furnishing such materials in kind, subject to acceptance of such materials by Unit Operator.

11.4 Commingling of Funds. No funds received by Unit Operator under this Agreement need be segregated by Unit Operator or maintained by it as a joint fund, but may be commingled with its own funds.

11.5 Lien of Unit Operator. Each Working Interest Owner grants to Unit Operator a lien upon such Working Interest Owner's (i) leasehold and other mineral interests in each Tract, (ii) its interest in all jointly-owned materials, equipment and other property, and (iii) its interest in all Unitized Substances, as security for payment of the costs and expenses chargeable to it, together with interest thereon at the rate of eight (8%) percent per annum. Unit Operator shall have the right to bring any action at law or in equity to enforce collection of such costs and expenses, with or without foreclosure of such lien. In addition, upon default by any Working Interest Owner in the payment of costs and expenses chargeable to it, Unit Operator shall have the right to collect and receive from the purchaser or purchasers all proceeds of such Working Interest Owner's share of Unitized Substances up to the amount owing by such Working Interest Owner plus interest, as aforesaid, until paid. Each such purchaser shall be entitled to rely upon Unit Operator's statement concerning the existence and amount of any such default. If any Working Interest Owner fails to pay the costs and expenses chargeable to it within sixty (60) days after rendition of a statement therefor by Unit Operator, each Working Interest Owner agrees, upon request by Unit Operator, to pay its proportionate part of the costs and expenses chargeable to the defaulting Working Interest Owner. The Working Interest Owners that pay the costs and expenses chargeable to a defaulting Working Interest Owner shall be reimbursed by the Unit Operator for the amount so paid, plus any interest collected thereon, upon receipt by Unit Operator of any past due amount collected from the defaulting Working Interest Owner. Any Working Interest Owner so paying a defaulting Working Interest Owner's costs and expenses shall be subrogated to the lien and rights herein granted to Unit Operator.

11.6 Wells Drilled by Unit Operator. All wells drilled by Unit Operator shall be drilled on a competitive basis at the usual rates prevailing in the area. Unit Operator may employ its own tools and equipment in the drilling of wells, but in such event, the charge therefor shall not exceed the prevailing rate in the area, and such work shall be performed by Unit Operator under the same terms and conditions as are customary and usual in the area in contracts of independent contractors doing work of a similar nature.

11.7 Burden of Unsigned Royalty Interest. Should an owner of a Royalty Interest in any Tract fail to become a party to the Unit Agreement and, as a result thereof, the actual Royalty Interest payments with respect to such Tract are more or less than the Royalty Interest payments computed on the basis of the Unitized Substances that are allocated to

such Tract under the Unit Agreement, the difference shall be borne by or inure to the benefit of the Working Interest Owner that has the Working Interest subject to such royalty.

11.8 Burden of Royalty and Other Interests. Each Working Interest Owner shall be solely responsible for, and shall bear the entire burden of, all royalties, overriding royalties, payments out of production, and any other interest payable out of profits, with which its contributed interest is burdened.

11.9 Rentals. The Working Interest Owner in each Tract shall pay all rentals, minimum royalties, advance rentals or delay rentals due under the lease thereon and shall concurrently submit to the Unit Operator the evidence of payment. If the Working Interest Owners in any Tract determine not to pay such rental, they shall thereupon assign to all other Working Interest Owners in the unitized land proportionable to their respective Unit Participations, all of their right, title and interest under said lease; provided, however, all such assignments shall be subject to all obligations with respect to reassignments, if any, of the parties making such assignments theretofore created in favor of parties who are not parties to this Agreement. In the event of failure of any Working Interest Owner to make proper payment of any delay rental through mistake or oversight where such rental is required to continue the lease in force, there shall be no money liability on the part of the party failing to pay such rental, but such party shall make a bona fide effort to secure a new lease covering the same interest and commit such lease to the Unit Agreement and, in the event of failure to secure the new lease within a reasonable time, the interests of the parties hereto shall be revised, so that the party failing to pay such rental shall not be credited with the ownership of any lease on which rental was required but was not paid. The Unit Operator shall incur no liability for failure to pay any rental due under the terms of any lease committed to said Unit Agreement; however, in the event any rentals are paid by Unit Operator, the same shall be charged and billed to the party responsible for payment of same. In the event of loss of title to a lease for failure to pay rental, all losses occasioned thereby shall be that of the Working Interest Owners who should have paid the same.

ARTICLE 12

INTEREST CARVED OUT BY WORKING INTEREST OWNER

12.1 Carved-out Interest Subject to this Agreement. In the event any Working Interest Owner shall, after executing this Agreement, create an overriding royalty, production payment, net profits, or carried interest, or any other interest out of its interest then subject to this Agreement, such carved-out interest shall be subject to the terms and provisions of this Agreement. In the event the Working Interest Owner owning the interest out of which the carved-out interest was created withdraws from this Agreement under the terms and provisions of Article 18 hereof, or fails to pay any costs or expenses chargeable to such Working Interest Owner under this Agreement and the production to the credit of such Working Interest Owner is insufficient for that purpose, the owner of the carved-out interest will be liable for its pro rata portion of all costs and expenses for which the Working Interest Owner that created such carved-out interest would have been liable hereunder by virtue of such

Working Interest Owner's entire original interest, just as though such carved-out interest had not been created. In this event, the lien provided in Section 11.5 hereof may be enforced against such carved-out interest in the same manner as the lien was enforceable against the original interest out of which the carved-out interest was created.

ARTICLE 13

NON-UNITIZED FORMATIONS

13.1 Right to Operate. Any Working Interest Owner that now has or hereafter acquires the right to drill for and produce oil, gas or other minerals, from other than the Unitized Formation, shall have the right to do so notwithstanding this Agreement or the Unit Agreement. In exercising the right, however, the Working Interest Owner shall exercise every reasonable precaution to prevent unreasonable interference with Unit Operations. No Working Interest Owner (other than Unit Operator) shall produce Unitized Substances through any well drilled or operated by it. If any Working Interest Owner drills any well into or through the Unitized Formation, the Unitized Formation shall be protected in a manner satisfactory to the Working Interest Owners so that the production of Unitized Substances will not adversely be affected.

ARTICLE 14

TITLES

14.1 Warranty and Indemnity. Each Working Interest Owner represents and warrants that it is the owner of the respective Working Interests set forth opposite its name in Exhibit "B" of the Unit Agreement and hereby agrees to indemnify and hold harmless the other Working Interest Owners from any loss due to failure, in whole or in part, of its title to any such interest, except failure of title arising out of Unit Operations; provided that, such indemnity shall be limited to an amount equal to the net value that has been received from the sale or receipt of Unitized Substances attributed to the interest as to which title failed. Each failure of title will be deemed to be effective, insofar as this Agreement is concerned, as of the first day of the calendar month in which such failure is finally determined, and there shall be no retroactive adjustment of Unit Expense, or retroactive allocation of Unitized Substances or the proceeds therefrom, as a result of title failure.

14.2 Failure Because of Unit Operations. The failure of title to any Working Interest in any Tract by reason of Unit Operations, including non-production from such Tract, shall not change the Unit Participation of the Working Interest Owner whose title failed in relation to the Unit Participations of the other Working Interest Owners at the time of the title failure.

ARTICLE 15

LIABILITY, CLAIMS AND SUITS

15.1 Individual Liability. The duties, obligations and liabilities of Working Interest Owners shall be several and not joint or

collective; and nothing contained herein shall ever be construed as creating a partnership of any kind, joint venture, or an association or trust between or among Working Interest Owners.

15.2 Settlements. In the event claim is made against a Working Interest Owner or any Working Interest Owner is sued on account of any matter or thing arising from the development and operation of the Unit Area and over which such Working Interest Owner individually has no control because of the rights, powers and duties granted by this Agreement and the Unit Agreement, said Working Interest Owner shall immediately notify the Unit Operator of such claim or suit. Unit Operator shall assume and take over the further handling of such claim or suit and all costs and expenses of handling, settling or otherwise discharging such claim or suit shall be borne by the Working Interest Owners as any other cost or expense of operating the Unit Area.

ARTICLE 16

INTERNAL REVENUE PROVISION

16.1 Internal Revenue Provision. Notwithstanding any provisions herein that the rights and liabilities of the parties hereunder are several and not joint or collective, or that this Agreement and the operations hereunder shall not constitute a partnership, if for Federal Income Tax purposes this Agreement and the operations hereunder are regarded as a partnership, then each of the parties hereto hereby elects to be excluded from the application of all of the provisions of Subchapter K, Chapter 1, Subtitle A, of the Internal Revenue Code of 1954, as permitted and authorized by Section 761 of said Code and the regulations promulgated thereunder. Unit Operator is hereby authorized and directed to execute on behalf of each of the parties hereto such evidence of this election as may be required by the Secretary of the Treasury of the United States or the Federal Internal Revenue Service, including specifically, but not by way of limitation, all of the returns, statements, and the data required by Federal Regulations 1.761-1(a). Should there be any requirement that each party hereto further evidence this election, each party hereto agrees to execute such documents and furnish such other evidence as may be required by the Federal Internal Revenue Service or as may be necessary to evidence this election. Each party hereto further agrees not to give any notices or take any other action inconsistent with the election made hereby. If any present or future income tax laws of the state or states in which the property covered by this Agreement is located, or any future income tax law of the United States, contain, or shall hereafter contain, provisions similar to those contained in Subchapter K, Chapter 1, Subtitle A, of the Internal Revenue Code of 1954, under which an election similar to that provided by Section 761 of said Subchapter K is permitted, each of the parties hereto hereby makes such election or agrees to make such election as may be permitted by such laws. In making this election, each of the parties hereto hereby states that the income derived by him from the operations under this Agreement can be adequately determined without the computation of partnership taxable income.

ARTICLE 17

NOTICES

17.1 Notices. All notices required hereunder shall be in writing and shall be deemed to have been properly served when sent by mail or telegram to the address of each Working Interest Owner or to the address of such Working Interest Owner's representative as furnished to Unit Operator in accordance with Article 4 hereof.

ARTICLE 18

WITHDRAWAL

18.1 Withdrawal. If any Working Interest Owner so desires, it may withdraw from this Agreement by conveying, assigning and transferring, without warranty of title (either expressed or implied) to the other Working Interest Owners who do not desire to withdraw herefrom, all of the former's rights, title and interest in and to its lease or leases, or other operating rights in the unitized land, insofar as said lease, leases or rights pertain to the Unitized Formation, together with the withdrawing Working Interest Owner's interest in all wells, pipelines, casing, injection equipment facilities and other personal property used in conjunction with the development and operation of the unitized land; provided, that such transfer, assignment or conveyance shall not relieve said Working Interest Owner from any obligation or liability incurred prior to the date of the execution and delivery thereof. The interest so transferred, assigned and conveyed shall be taken and owned by the other Working Interest Owners in proportion to their respective Unit Participations, and the Unit Operator shall recompute the percentages of participation and furnish the remaining Working Interest Owners with a corrected interest sheet. After the execution and delivery of such transfer, assignment or conveyance, the withdrawing Working Interest Owner shall be relieved from all further obligations and liability hereunder and under said Unit Agreement; and the right of such Working Interest Owner to any benefits subsequently accruing hereunder and under said Unit Agreement shall cease; provided that upon delivery of said transfer, assignment or conveyance, the assignees, in the ratio of the respective interests so acquired, shall pay to the assignor for its interest in all jointly-owned equipment and other personal property, the fair salvage value thereof, as estimated and fixed by the remaining Working Interest Owners.

ARTICLE 19

ABANDONMENT OF WELLS

19.1 Rights of Former Owners. If Working Interest Owners decide to permanently abandon any well within the Unit Area prior to termination of the Unit Agreement, Unit Operator shall give written notice thereof to the Working Interest Owners of the Tract on which the well is located, and they shall have the option for a period of ninety (90) days after the sending of such notice to notify Unit Operator in writing of their election to take over and own the well. Within ten (10) days after the Working Interest Owners of the Tract have notified

Unit Operator of their election to take over the well, they shall pay Unit Operator, for credit to the joint account, the amount estimated by Working Interest Owners to be the net salvage value of the casing and equipment in and on the well. The Working Interest Owners of the Tract, by taking over the well, agree to seal off effectively and protect the Unitized Formation, and upon abandonment to plug the well in compliance with applicable laws and regulations.

19.2 Plugging. If the Working Interest Owners of a Tract do not elect to take over a well located thereon which is proposed for abandonment, as heretofore provided, Unit Operator shall plug and abandon the well in compliance with applicable laws and regulations.

ARTICLE 20

EFFECTIVE DATE AND TERM

20.1 Effective Date. This Agreement shall become effective on the date and at the time the Unit Agreement becomes effective.

20.2 Term. This Agreement shall continue in full force and effect so long as the Unit Agreement remains in full force and effect and thereafter until all Unit Wells on unitized land have been plugged and abandoned or turned over to Working Interest Owners in accordance with Article 21 hereof, all personal and real property acquired for the joint account of Working Interest Owners has been disposed of by Unit Operator in accordance with instructions of Working Interest Owners, and there has been a final accounting.

ARTICLE 21

TERMINATION OF UNIT AGREEMENT

21.1 Termination. Upon termination of the Unit Agreement, the following shall occur:

21.1.1 Oil and Gas Rights. Possession of all oil and gas rights in and to the several separate Tracts shall revert to the Working Interest Owners thereof.

21.1.2 Right to Operate. Working Interest Owners of any such Tract desiring to take over and continue to operate a well or wells located thereon may do so by paying Unit Operator, for the credit of the joint account, the net salvage value of the casing and equipment in and on the wells and by agreeing in writing to properly plug each well at such time as it is abandoned.

21.1.3 Salvaging Wells. With respect to all wells not taken over by Working Interest Owners, Unit Operator shall at the joint expense of Working Interest Owners salvage as much of the casing and equipment in or on such wells as can economically and reasonably be salvaged, and shall cause such wells to be properly plugged and abandoned.

21.1.4 Cost of Salvaging. Working Interest Owners shall share the cost of salvaging, liquidation or other distribution of assets and properties used in the development and operation of the Unit Area in proportion to their respective Unit Participations as shown on Exhibit "C".

ARTICLE 22

COUNTERPART EXECUTION

22.1 Execution by Separate Counterparts or Ratifications. This Agreement may be executed in any number of counterparts and each counterpart so executed shall have the same force and effect as an original instrument and as if all of the parties to the aggregate counterparts had signed the same instrument; or may be ratified by a separate instrument in writing referring to this Agreement. Each such ratification shall have the force and effect of an executed counterpart and of adopting by reference all of the provisions hereof.

ARTICLE 23

SUCCESSORS AND ASSIGNS

23.1 Successors and Assigns. The terms and provisions hereof shall be covenants running with the lands, leases and interests covered hereby and shall be binding upon and inure to the benefit of the respective heirs, devisees, legal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement upon the respective dates indicated opposite their respective signatures.

TIDEWATER OIL COMPANY

ATTEST:

By _____
Vice President

Assistant Secretary
Date: _____

UNIT OPERATOR AND WORKING INTEREST
OWNER

ATTEST:

By _____

Secretary
Date: _____

ATTEST:

By _____

Date: _____ Secretary

ATTEST:

By _____

Date: _____ Secretary

ATTEST:

By _____

Date: _____ Secretary

ATTEST:

By _____

Date: _____ Secretary

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

WORKING INTEREST OWNERS

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, Vice President of TIDEWATER OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, of _____, a corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, of _____, a corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

Notary Public

My Commission Expires:

EXHIBIT "C"

SCHEDULE OF UNIT PARTICIPATION

EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

<u>WORKING INTEREST OWNERS</u>	<u>PERCENT UNIT PARTICIPATION IN UNIT AREA</u>
Amerada Petroleum Corporation -----	3.72152
Morris R. Antweil -----	0.55728
The Atlantic Refining Company -----	1.59963
Aztec Oil and Gas Company -----	11.69772
California Oil Company -----	4.41532
Cities Service Oil Company -----	0.33417
Gordon M. Cone and Lovington Abstract Company* -----	1.02288
J. U. Cone, Trustee of Cone Trusts and Lovington Abstract Company* -----	0.41545
Continental Oil Company -----	12.44715
Bert Fields -----	0.37151
First Hutchings-Sealy National Bank of Galveston, Trustee of Frances B. Moore -----	0.03975
First Hutchings-Sealy National Bank of Galveston, Agent for: John Knox Hutchings Moore -----	0.00845
First National Bank of Roswell, Guardian of Donald Bartlett Moore, a Minor -----	0.00845
The Fluor Corporation -----	1.58446
Gulf Oil Corporation -----	10.52382
M. W. Staples and T. A. Hester, Trustees for the Martha Lou Hester Trust -----	0.48289
Hester Oil Company -----	0.46543
T. A. Hester, Inc. -----	0.46543
William A. Hudson and Edward R. Hudson -----	0.93862
Humble Oil & Refining Company -----	11.63775
Jennings Drilling Company -----	0.55728
Kenwood Oil Company -----	1.62779
Mardy's Oil Company -----	0.55853
Marjalu Oil Company -----	0.29671
Anita G. Moore, Independent Executrix of Will of Charles H. Moore, Deceased -----	0.02518
B. D. Moore, Jr. and Eleanor Moore -----	0.02518
Carol Pauls Moore -----	0.00828
David W. Moore and Mary Lea Moore -----	0.02518
J. Hiram Moore -----	0.25840
Pan American Petroleum Corporation -----	0.50863
Schermerhorn Oil Corporation -----	1.62781
Shell Oil Company -----	2.33494
Frances Moore Shelton and Kenneth Shelton -----	0.02518
R. H. Siegfried, Inc. -----	1.04723
Sinclair Oil & Gas Company -----	5.72166
Staples Oil & Gas Company -----	0.55853
Texaco Inc. -----	6.80383
Tidewater Oil Company -----	14.47237
Water Flood Associates, Inc. -----	0.77961
	<u>100.00000</u>

*As to these interests Lovington Abstract Company owns the gas rights and Gordon M. Cone and J. U. Cone, Trustee of the Cone Trusts, respectively, own the oil rights.

EXHIBIT " D "

Attached to and made a part of Unit Operating Agreement,
East Eumont Unit, Lea County, New Mexico

ACCOUNTING PROCEDURE (JOINT OPERATIONS)

I. GENERAL PROVISIONS

1. Definitions

"Joint Property" shall mean the real and personal property subject to the agreement to which this "Accounting Procedure" is attached.

"Joint Operations" shall mean all operations necessary or proper for the development, operation, protection and maintenance of the Joint Property.

"Operator" shall mean the party designated to conduct the Joint Operations.

"Non-Operators" shall mean the nonoperating parties, whether one or more.

"Joint Account" shall mean the account showing the charges and credits accruing because of the Joint Operations and which are to be shared by the Parties.

"Parties" shall mean Operator and Non-Operators.

"Material" shall mean personal property, equipment or supplies acquired or held for use on the Joint Property.

"Controllable Material" shall mean material which at the time is so classified in the Material Classification Manual as most recently recommended by the Council of Petroleum Accountants Societies of North America.

2. Conflict with Agreement

In the event of a conflict between the provisions of this Accounting Procedure and the provisions of the agreement to which this Accounting Procedure is attached, the provisions of the agreement shall control.

3. Collective Action by Non-Operators

Where an agreement or other action of Non-Operators is expressly required under this Accounting Procedure and if the agreement to which this Accounting Procedure is attached contains no contrary provisions in regard thereto, the agreement or action of a majority in interest of the Non-Operators shall be controlling on all Non-Operators.

4. Statements and Billings

Operator shall bill Non-Operators on or before the last day of each month for their proportionate share of costs and expenses, for the preceding month. Such bills will be accompanied by statements reflecting the total charges and credits as set forth under Subparagraph C below:

A. Statement in detail of all charges and credits to the Joint Account.

B. Statement of all charges and credits to the Joint Account, summarized by appropriate classifications indicative of the nature thereof.

C. Statement of all charges and credits to the Joint Account summarized by appropriate classifications indicative of the nature thereof, except that items of Controllable Material and unusual charges and credits shall be detailed.

5. Payment and Advances by Non-Operators

Each Non-Operator shall pay its proportion of all such bills within fifteen (15) days after receipt thereof. If payment is not made within such time, the unpaid balance shall bear interest at the rate of six per cent (6%) per annum until paid.

6. Adjustments

Payment of any such bills shall not prejudice the right of any Non-Operators to protest or question the correctness thereof; provided however, all bills and statements rendered to Non-Operators by Operator during any calendar year shall conclusively be presumed to be true and correct after twenty-four (24) months following the end of any such calendar year, unless within the said twenty-four (24) month period a Non-Operator takes written exception thereto and makes claim on Operator for adjustment. No adjustment favorable to Operator shall be made unless it is made within the same prescribed period. The provisions of this paragraph shall not prevent adjustments resulting from a physical inventory of the Joint Property as provided for in Section VII.

7. Audits

A Non-Operator, upon notice in writing to Operator and all other Non-Operators, shall have the right to audit Operator's accounts and records relating to the accounting hereunder for any calendar year within the twenty-four (24) month period following the end of such calendar year; provided however, the making of an audit shall not extend the time for the taking of written exception to and the adjustment of accounts as provided for in Paragraph 6 of this Section I. Where there are two or more Non-Operators, the Non-Operators shall make every reasonable effort to conduct joint or simultaneous audits in a manner which will result in a minimum of inconvenience to the Operator.

II. DIRECT CHARGES

Subject to limitations hereinafter prescribed, Operator shall charge the Joint Account with the following items:

1. Rentals and Royalties

Delay or other rentals and royalties when such rentals and royalties are paid by Operator for the Joint Account of the Parties.

2. Labor

A. Salaries and wages of Operator's employees directly engaged on the Joint Property in the conduct of the Joint Operations, and salaries or wages of technical employees who are temporarily assigned to and directly employed on the Joint Property.

B. Operator's cost of holiday, vacation, sickness and disability benefits and other customary allowances paid to the employees whose salaries and wages are chargeable to the Joint Account under Paragraph 2A of this Section II and Paragraph 1 of Section III; except that in the case of those employees only a pro rata portion of whose salaries and wages are chargeable to the Joint Account under Paragraph 1 of Section III, not more than the same pro rata portion of the benefits and allowances herein provided for shall be charged to the Joint Account. Cost under this Paragraph 2B may be charged on a "when and as paid basis" or by "percentage assessment" on the amount of salaries and wages chargeable to the Joint Account under Paragraph 2A of this Section II and Paragraph 1 of Section III. If percentage assessment is used, the rate shall be based on the Operator's cost experience.

C. Expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to Operator's labor cost of salaries and wages chargeable to the Joint Account under Paragraphs 2A and 2B of this Section II and Paragraph 1 of Section III.

D. Reasonable personal expenses of those employees whose salaries and wages are chargeable to the Joint Account under Paragraph 2A of this Section II and for which expenses the employees are reimbursed under Operator's usual practice.

3. Employee Benefits

Operator's current cost of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, bonus, and other benefit plans of a like nature, applicable to Operator's labor cost; provided however, the total of such charges shall not exceed ten percent (10%) of Operator's labor costs chargeable to the Joint Account under Paragraphs 2A and 2B of this Section II and Paragraph 1 of Section III.

4. Material

Material purchased or furnished by Operator for use on the Joint Property. So far as it is reasonably practical and consistent with efficient and economical operation, only such Material shall be purchased for or transferred to the Joint Property as may be required for immediate use; and the accumulation of surplus stocks shall be avoided.

5. Transportation

Transportation of employees and Material necessary for the Joint Operations but subject to the following limitations:

- A. If Material is moved to the Joint Property from the Operator's warehouse or other properties, no charge shall be made to the Joint Account for a distance greater than the distance from the nearest reliable supply store or railway receiving point where like material is available, except by agreement with Non-Operators.
- B. If surplus Material is moved to Operator's warehouse or other storage point, no charge shall be made to the Joint Account for a distance greater than the distance to the nearest reliable supply store or railway receiving point, except by agreement with Non-Operators. No charge shall be made to Joint Account for moving Material to other properties belonging to Operator, except by agreement with Non-Operators.
- C. In the application of subparagraphs A and B above, there shall be no equalization of actual gross trucking costs of \$100 or less.

6. Services

- A. The cost of contract services and utilities procured from outside sources other than services covered by Paragraph 8 of this Section II and Paragraph 2 of Section III.
- B. Use and service of equipment and facilities furnished by Operator as provided in Paragraph 5 of Section IV.

7. Damages and Losses to Joint Property

All costs or expenses necessary for the repair or replacement of Joint Property made necessary because of damages or losses incurred by fire, flood, storm, theft, accident, or any other cause, except to the extent that the damage or loss could have been avoided through the exercise of reasonable diligence on the part of Operator. Operator shall furnish Non-Operators written notice of damages or losses incurred as soon as practicable after a report thereof has been received by Operator.

8. Legal Expense

All costs and expenses of handling, investigating and settling litigation or claims arising by reason of the Joint Operations or necessary to protect or recover the Joint Property, including, but not limited to, attorneys' fees, court costs, cost of investigation or procuring evidence and amounts paid in settlement or satisfaction of any such litigation or claims; provided, (a) no charge shall be made for the services of Operator's legal staff or other regularly employed personnel (such services being considered to be Administrative Overhead under Section III), except by agreement with Non-Operators, and (b) no charge shall be made for the fees and expenses of outside attorneys unless the employment of such attorneys is agreed to by Operator and Non-Operators.

9. Taxes

All taxes of every kind and nature assessed or levied upon or in connection with the Joint Property, the operation thereof, or the production therefrom, and which taxes have been paid by the Operator for the benefit of the Parties.

10. Insurance Premiums

Premiums paid for insurance required to be carried on the Joint Property for the protection of the Parties.

11. Other Expenditures

Any other expenditure not covered or dealt with in the foregoing provisions of this Section II, or in Section III, and which is incurred by the Operator for the necessary and proper conduct of the Joint Operations.

III. INDIRECT CHARGES

Operator may charge the Joint Account for indirect costs either by use of an allocation of district expense items plus a fixed rate for administrative overhead, and plus the warehousing charges, all as provided for in Paragraphs 1, 2, and 3 of this Section III OR by combining all three of said items under the fixed rate provided for in Paragraph 4 of this Section III, as indicated next below:

OPERATOR SHALL CHARGE THE JOINT ACCOUNT UNDER THE TERMS OF:

- ☐ Paragraphs 1, 2 and 3. (Allocation of district expense plus fixed rate for administrative overhead plus warehousing.)
- ☒ Paragraph 4. (Combined fixed rate)

1. District Expense

Operator shall charge the Joint Account with a pro rata portion of the salaries, wages and expenses of Operator's production superintendent and other employees serving the Joint Property and other properties of the Operator in the same operating area, whose time is not allocated directly to the properties, and a pro rata portion of the cost of maintaining and operating a production office known as Operator's (or a comparable office if location changed), and necessary sub-offices (if any), maintained for the convenience of the above-described office, and all necessary camps, including housing facilities for employees if required, used in connection with the operations of the Joint Property and other properties in the same operating area. The expense of, less any revenue from, such facilities may, at the option of Operator, include depreciation of investment or a fair monthly rental in lieu of depreciation. Such charges shall be apportioned to all properties served on some equitable basis consistent with Operator's accounting practice.

2. Administrative Overhead

Operator shall charge administrative overhead to the Joint Account at the following rates, which charge shall be in lieu of the cost and expense of all offices of the Operator not covered by Paragraph 1 of this Section III, including salaries, wages and expenses of personnel assigned to such offices. Such charges shall be in addition to the salaries, wages and expenses of employees of Operator authorized to be charged as direct charges as provided in Paragraphs 2 and 8 of Section II.

WELL BASIS (RATE PER WELL PER MONTH)

Well Depth	DRILLING WELL RATE (Use Total Depth)	PRODUCING WELL RATE (Use Current Producing Depth)		
	Each Well	First Five	Next Five	All Wells Over Ten
.....
.....
.....

The cost and expense of services from outside sources in connection with matters of taxation, traffic, accounting, or matters before or involving governmental agencies shall be considered as included in the overhead rates provided for in this Paragraph 2 of Section III, unless such cost and expense are agreed upon between Operator and Non-Operators as a direct charge to the Joint Account.

3. **Operator's Fully Owned Warehouse Operating and Maintenance Expense**
(Describe fully the agreed procedure to be followed by the Operator.)

4. **Combined Fixed Rates**

Operator shall charge the Joint Account for the services covered by Paragraph 1, 2 and 3 of this Section III, the following fixed per well rates:

WELL BASIS (RATE PER WELL PER MONTH)

Well Depth	DRILLING WELL RATE (Use Total Depth)	PRODUCING WELL RATE (Use Current Producing Depth)		
	Each Well	Drilling Rig	Production Rig	Workover Rig
All	\$850.00	\$85.00 - All		

Said fixed rate (shall) ~~(shall not)~~ include salaries and expenses of production foremen.

5. **Application of Administrative Overhead or Combined Fixed Rates**

The following limitations, instructions and charges shall apply in the application of the per well rates as provided under either Paragraph 2 or Paragraph 4 of this Section III:

- Charges for drilling wells shall begin on the date each well is spudded and terminate on the date the drilling or completion rig is released, whichever is later, except that no charge shall be made during the suspension of drilling operations for fifteen (15) or more consecutive days.
 - The status of wells shall be as follows:
 - Producing gas wells, injection wells for recovery operations, water supply wells utilized for water flooding operations and salt water disposal wells shall be considered the same as producing wells.
 - Wells permanently shut down but on which plugging operations are deferred shall be dropped from the well schedule at the time the shutdown is effected. When such a well is plugged a charge shall be made at the producing well rates.
 - Wells being plugged back, drilled deeper, converted to a source or input well, or which are undergoing any type of workover that requires the use of a drilling or workover rig shall be considered the same as drilling wells.
 - Temporarily shut-down wells, which are not produced or worked upon for a period of a full calendar month, shall not be included in the well schedule, provided however, wells shut in by governmental regulatory body shall be included in the well schedule only in the event the allowable production is transferred to some other well or wells on the Joint Property. In the event of a unit allowable, all wells capable of producing will be counted in determining the charge.
 - Gas wells shall be included in the well schedule if directly connected to a permanent sales outlet even though temporarily shut in due to overproduction or failure of purchaser to take the allowed production.
 - Wells completed in multiple horizons, in which the production is not commingled down hole, shall be considered as a producing well for each separately producing horizon.
 - The well rates shall apply to the total number of wells being drilled or operated under the agreement to which this Accounting Procedure is attached, irrespective of individual leases.
 - The well rates shall be adjusted on the first day of April of each year following the effective date of the agreement to which this Accounting Procedure is attached. The adjustment shall be computed by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the preceding calendar year as shown by "The Index of Average Weekly Earnings of Crude Petroleum and Gas Production Workers" as published by the United States Department of Labor, Bureau of Labor Statistics. The adjusted rates shall be the rates currently in use, plus or minus the computed adjustment.
6. For the construction of compressor plants, water stations, secondary recovery systems, salt water disposal facilities, and other such projects, as distinguished from the more usual drilling and producing operations, Operator in addition to the Administrative Overhead or Combined Fixed Rates provided for in Paragraph 2 and 4 of this Section III, shall charge the Joint Account with an additional overhead charge as follows:
- Total cost less than \$25,000, no charge.
 - Total cost more than \$25,000 but less than \$100,000, 3 % of total cost.
 - Total cost of \$100,000 or more, 3 % of the first \$100,000 plus 1 % of all over \$100,000 of total cost.
- Total cost shall mean the total gross cost of any one project. For the purpose of this Paragraph the component parts of a single project shall not be treated separately and the cost of drilling wells shall be excluded.
7. The specific rates provided for in this Section III may be amended from time to time by mutual agreement between the Parties hereto if, in practice, the rates are found to be insufficient or excessive.

IV. BASIS OF CHARGES TO JOINT ACCOUNT

Subject to the further provisions of this Section IV, Operator will procure all Material and services for the Joint Property. At the Operator's option, Non-Operator may supply Material or services for the Joint Property.

1. **Purchases**

Material purchased and service procured shall be charged at the price paid by Operator after deduction of all discounts actually received.

2. **Material furnished from Operator's Warehouse or Other Properties**

A. **New Material (Condition "A")**

- Tubular goods, two inch (2") and over, shall be priced on Eastern Mill base (i. e. Youngstown, Ohio; Lorain, Ohio; and Indiana Harbor, Indiana) on a minimum carload basis effective at date of movement and f. o. b. railway receiving point nearest the Joint Property, regardless of quantity. In equalized hauling charges, Operator is permitted to include ten cents (10c) per hundred-weight on all tubular goods furnished from his stocks in lieu of loading and unloading costs sustained.
- Other Material shall be priced at the current replacement cost of the same kind of Material, effective at date of movement and f. o. b. the supply store or railway receiving point nearest the Joint Property where Material of the same kind is available.
- The Joint Account shall not be credited with cash discounts applicable to prices provided for in this Paragraph 2 of Section IV.

B. **Used Material (Condition "B" and "C")**

- Material in sound and serviceable condition and suitable for reuse without reconditioning, shall be classified as Condition "B" and priced at seventy-five per cent (75%) of the current price of new Material.
- Material which cannot be classified as Condition "B" but which,
 - After reconditioning will be further serviceable for original function as good secondhand Material (Condition "B"), or
 - Is serviceable for original function but substantially not suitable for reconditioning, shall be classified as Condition "C" and priced at fifty per cent (50%) of current new price.
- Obsolete Material or Material which cannot be classified as Condition "B" or Condition "C" shall be priced at a value commensurate with its use. Material no longer suitable for its original purpose but usable for

some other purpose, shall be priced on a basis comparable with that of items normally used for such other purpose.

- (4) Material involving erection costs shall be charged at applicable percentage of the current knocked-down price of new Material.

3. Premium Prices

Whenever Material is not readily obtainable at prices specified in Paragraphs 1 and 2 of this Section IV because of national emergencies, strikes or other unusual causes over which the Operator has no control, the Operator may charge the Joint Account for the required Material at the Operator's actual cost incurred in procuring such Material, in making it suitable for use, and in moving it to the Joint Property, provided, that notice in writing is furnished to Non-Operators of the proposed charge prior to billing Non-Operators for such Material. Each Non-Operator shall have the right, by so electing and notifying Operator within 10 days after receiving notice from Operator, to furnish in kind all or part of his share of such Material suitable for use and acceptable to Operator.

4. Warranty of Material Furnished by Operator

Operator does not warrant the Material furnished. In case of defective Material, credit shall not be passed to the Joint Account until adjustment has been received by Operator from the manufacturers or their agents.

5. Equipment and Facilities Furnished by Operator

A. Operator shall charge the Joint Account for use of equipment and facilities at rates commensurate with cost of ownership and operation. Such rates shall include cost of maintenance, repairs, other operating expense, insurance, taxes, depreciation and interest on investment not to exceed six per cent (6%) per annum, provided such rates shall not exceed those currently prevailing in the immediate area within which the Joint Property is located. Rates for automotive equipment shall generally be in line with the schedule of rates adopted by the Petroleum Motor Transport Association, or some other recognized organization, as recommended uniform charges against Joint Property operations. Rates for laboratory services shall not exceed those currently prevailing if performed by outside service laboratories. Rates for trucks, tractors and well service units may include wages and expenses of operator.

B. Whenever requested, Operator shall inform Non-Operators in advance of the rates it proposes to charge.

C. Rates shall be revised and adjusted from time to time when found to be either excessive or insufficient.

V. DISPOSAL OF MATERIAL

The Operator may purchase, but shall be under no obligation to purchase, interest of Non-Operators in surplus Condition "A" or "B" Material. The disposition of surplus Controllable Material, not purchased by Operator, shall be subject to agreement between Operator and Non-Operators, provided Operator shall dispose of normal accumulations of junk and scrap Material either by transfer or sale from the Joint Property.

1. Material Purchased by the Operator or Non-Operators

Material purchased by either the Operator or Non-Operators shall be credited by the Operator to the Joint Account for the month in which the Material is removed by the purchaser.

2. Division in Kind

Division of Material in kind, if made between Operator and Non-Operators, shall be in proportion to the respective interests in such Material. The Parties will thereupon be charged individually with the value of the Material received or receivable. Proper credits shall be made by the Operator in the monthly statement of operations.

3. Sales to Outsiders

Sales to outsiders of Material from the Joint Property shall be credited by Operator to the Joint Account at the net amount collected by Operator from vendee. Any claim by vendee related to such sale shall be charged back to the Joint Account if and when paid by Operator.

VI. BASIS OF PRICING MATERIAL TRANSFERRED FROM JOINT ACCOUNT

Material purchased by either Operator or Non-Operators or divided in kind, unless otherwise agreed to between Operator and Non-Operators shall be priced on the following basis:

1. New Price Defined

New price as used in this Section VI shall be the price specified for New Material in Section IV.

2. New Material

New Material (Condition "A"), being new Material procured for the Joint Property but never used, at one hundred per cent (100%) of current new price (plus sales tax if any).

3. Good Used Material

Good used Material (Condition "B"), being used Material in sound and serviceable condition, suitable for reuse without reconditioning:

A. At seventy-five per cent (75%) of current new price if Material was charged to Joint Account as new, or

B. At sixty-five per cent (65%) of current new price if Material was originally charged to the Joint Account as secondhand at seventy-five percent (75%) of new price.

4. Other Used Material

Used Material (Condition "C"), at fifty per cent (50%) of current new price, being used Material which:

A. Is not in sound and serviceable condition but suitable for reuse after reconditioning, or

B. Is serviceable for original function but not suitable for reconditioning.

5. Bad-Order Material

Material (Condition "D"), no longer suitable for its original purpose without excessive repair cost but usable for some other purpose at a price comparable with that of items normally used for such other purpose.

6. Junk Material

Junk Material (Condition "E"), being obsolete and scrap Material, at prevailing prices.

7. Temporarily Used Material

When the use of Material is temporary and its service to the Joint Property does not justify the reduction in price as provided for in Paragraph 3 B of this Section VI, such Material shall be priced on a basis that will leave a net charge to the Joint Account consistent with the value of the service rendered.

VII. INVENTORIES

The Operator shall maintain detailed records of Material generally considered controllable by the Industry.

1. Periodic Inventories, Notice and Representation

At reasonable intervals, inventories shall be taken by Operator of the Joint Account Material, which shall include all such Material as is ordinarily considered controllable. Written notice of intention to take inventory shall be given by Operator at least thirty (30) days before any inventory is to begin so that Non-Operators may be represented when any inventory is taken. Failure of Non-Operators to be represented at an inventory shall bind Non-Operators to accept the inventory taken by Operator, who shall in that event furnish Non-Operators with a copy thereof.

2. Reconciliation and Adjustment of Inventories

Reconciliation of inventory with charges to the Joint Account shall be made, and a list of overages and shortages shall be jointly determined by Operator and Non-Operators. Inventory adjustments shall be made by Operator with the Joint Account for overages and shortages, but Operator shall be held accountable to Non-Operator only for shortages due to lack of reasonable diligence.

3. Special Inventories

Special inventories may be taken whenever there is any sale or change of interest in the Joint Property. It shall be the duty of the party selling to notify all other Parties as quickly as possible after the transfer of interest takes place. In such cases, both the seller and the purchaser shall be governed by such inventory.

EXHIBIT "E"

TO UNIT OPERATING AGREEMENT
EAST EUMONT UNIT
LEA COUNTY, NEW MEXICO

INSURANCE PROVISIONS

The Unit Operator shall carry insurance coverage as follows:

- (1) Workmen's Compensation Insurance meeting the requirements of the State of New Mexico;
- (2) Employer's Liability Insurance with limits of \$300,000 per employee and \$500,000 per accident;
- (3) Automobile Public Liability Insurance with limits of \$300,000 per person and \$500,000 per accident, and Automobile Property Damage Insurance of \$100,000 per accident;
- (4) General Public Liability Insurance with limits of \$300,000 per person and \$500,000 per accident. General Property Damage Insurance with limits of \$100,000;
- (5) Such additional insurance as may be required by Working Interest Owners.

All insurance purchased by Unit Operator shall be for the benefit of all Working Interest Owners and shall be charged to Unit Expense. However, no separate charge shall be made for automobile public liability and property damage insurance on Unit Operator's exclusively owned automobile equipment; but, instead, the cost thereof shall be included in the rates charged for the use of such equipment as provided in Subparagraph 5-A of Section IV of Exhibit "D".

Unit Operator is not a warrantor of the financial responsibility of the insurer with whom such insurance is carried and, except for gross negligence, Unit Operator shall not be responsible to the said Working Interest Owners for any loss suffered on account of the insufficiency of the insurance carried or on account of financial irresponsibility of the insurance carrier. Unit Operator shall not be liable to Working Interest Owners for any loss accruing by reason of Unit Operator's inability to procure or maintain the insurance coverage above mentioned.

FIRST REVISION
EXHIBIT "B" - PART I

SCHEDULE OF OWNERSHIP OF TRACTS

EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
FEDERAL LANDS									
1	T19S, R37E Sec. 4: Lots 1 and 2	85.21	NM-02053 11-1-50	Texaco, Inc.	12.5%	USA	- 100% Olen F. Feath- erstone - 1.0% A. M. Jackson, et vir, T. J. Jackson - 1.5% Sue S. Graham - 0.5% Elyse S. Patterson - 0.5% Sally S. Toles - 0.5%	Texaco, Inc. - 100%	1.78860
2	T19S, R37E Sec. 4: S/2 NE/4	80	NM-029141 11-1-56	The Atlantic Refg. Co.	Schedule "B"	USA	- 100% None	The Atlantic Refg. Co. - 100%	1.09100
3	T20S, R37E Sec. 12: N/2 NW/4 and NW/4 NE/4	120	LC 031620(b) 7-2-37	Continental Oil Co., The Atlantic Refg. Co., California Oil Co., & Pan American Pet. Corp., as Trustees for J. M. Skaggs	12.5%	USA	- 100% None	Continental Oil Co. - 25% The Atlantic Refg. Co. - 25% Pan American Pet. Corp. - 25% California Oil Co. - 25%	2.03452

3 Federal Tracts 285.21 Acres or 5.15% of Unit Area

STATE LANDS

4	T18S, R37E Sec. 33: S/2 NE/4 & SE/4 NW/4	120	E-7183 6-10-53	Ralph Lowe	12.5%	State	- 100% Ralph Lowe	- 6.25% Morris R. on oil Antweil and Jennings 12.50% Drfg. Co. on gas Bert Fields	- 37.5% 1.48607
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* All leases are held by production

TRACT NO.	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY		ROYALTY OWNERS		OVERRIDING ROYALTY OWNERS		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTIAL PATION
				ROYALTY	State	AND AMOUNTS	None	AND AMOUNT		AMOUNT		
5	T18S, R37E Sec. 33: N/2 SE/4 & NE/4 SW/4	120 B-1533½ 12-22-32	Continental Oil Co.	12.5%	State	- 100%	None			Continental Oil Co.	- 100%	1.52276
6	T18S, R37E Sec. 33: S/2 SE/4	80 E-8568 10-19-54	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	2.22336
7	T-18S, R37E Sec. 34: SW/4 SW/4	40 B-1651 1-23-33	Tidewater Oil Co.	12.5%	State	- 100%	None			Tidewater Oil Co.	- 100%	0.40326
8	T19S, R37E Sec. 3: Lot 4 & SE/4 NW/4	82.50 E-6424-1 8-11-52	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	1.05847
9	T19S, R37E Sec. 3: SW/4 NW/4	40 E-9122 6-21-55	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	1.08250
10	T19S, R37E Sec. 9: N/2 NE/4	80 B-2330 12-21-33	Tidewater Oil Co.	12.5%	State	- 100%	None			Tidewater Oil Co.	- 100%	1.01274
11	T19S, R37E Sec. 10: N/2 NW/4 & NW/4 NE/4	120 E-6574-1 10-10-52	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	2.12563
12	T19S, R37E Sec. 10: S/2 NW/4	80 B-246-1 9-30-31	Gulf Oil Corp.	12.5%	State	- 100%	None			Gulf Oil Corp.	- 100%	0.86151
13	T19S, R37E Sec. 10: SW/4	160 B-2209 11-7-33	Humble Oil & Refg. Co.	12.5%	State	- 100%	None			Humble Oil & Refg. Co.	- 100%	1.11140
14	T19S, R37E Sec. 16: E/2 NE/4 & NE/4 SE/4	120 B-243 9-10-31	Gulf Oil Corp.	12.5%	State	- 100%	Gulf Oil Corp.	- 10.9375%		Continental Oil Co.	- 100%	1.59191
15	T19S, R37E Sec. 16: SW/4 SE/4	40 E-7667 12-15-33	Continental Oil Co.	12.5%	State	- 100%	None			Continental Oil Co.	- 100%	0.67564
16	T19S, R37E Sec. 16: SE/4 SE/4	40 E-5889-1 1-10-52	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	0.44901

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY		ROYALTY OWNERS		OVERRIDING ROYALTY OWNERS		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTICIPATION
					ROYALTY	State	AND AMOUNTS	AND AMOUNT	AND AMOUNT	AND AMOUNT	AND AMOUNT	AND AMOUNT	
17	T19S, R37E Sec. 15: NW/4	160	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State	- 100% None				Tidewater Oil Co.	- 100%	1.62430
18	T19S, R37E Sec. 15: SW/4	160	E-2721 6-10-49	Socony-Mobil Oil Co.	12.5%	State	- 100% None				Tidewater Oil Co.	- 100%	1.67918
19	T19S, R37E Sec. 21: NE/4 NE/4	40	B-2209 11-7-33	Humble Oil & Refg. Co.	12.5%	State	- 100% None				Humble Oil & Refg. Co.	- 100%	0.03614
20	T19S, R37E Sec. 22: NW/4	160	B-2277 12-7-33	California Oil Co.	12.5%	State	- 100% None				California Oil Co.	- 100%	1.69968
21	T19S, R37E Sec. 22: SW/4	160	A-1469 12-18-28	Amerada Pet. Corp.	12.5%	State	- 100% None				Amerada Pet. Corp.	- 100%	3.72152
22	T19S, R37E Sec. 22: SW/4 SE/4	40	E-6706 12-10-52	Tidewater Oil Co.	12.5%	State	- 100% None				Tidewater Oil Co.	- 100%	0.87510
23	T19S, R37E Sec. 22: SE/4 SE/4	40	B-1973-1 6-10-33	Gulf Oil Corp.	12.5%	State	- 100% None				Gulf Oil Corp.	- 100%	0.45332
24	T19S, R37E Sec. 27: W/2 NE/4 & N/2 NW/4	160	B-246-1 9-10-31	Gulf Oil Corp.	12.5%	State	- 100% None				Gulf Oil Corp.	- 100%	4.45109
25	T19S, R37E Sec. 27: SE/4 NW/4 Sec. 35: NE/4 SE/4	80	E-6888 1-10-53	Humble Oil & Refg. Co.	12.5%	State	- 100% None				Humble Oil & Refg. Co.	- 100%	2.01836
26	T19S, R37E Sec. 27: E/2 E/2	160	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State	- 100% None				Tidewater Oil Co.	- 100%	3.16239
27	T19S, R37E Sec. 27: NE/4 SW/4 & NW/4 SE/4	80	B-9130-5 5-10-41	Aztec Oil & Gas Co.	12.5%	State	- 100% None				Aztec Oil & Gas Co.	- 100%	1.85429
28	T19S, R37E Sec. 27: SE/4 SW/4	40	B-9130-6 5-10-41	Aztec Oil & Gas Co.	12.5%	State	- 100% None				Aztec Oil & Gas Co.	- 100%	0.78365

* All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS		OVERRIDING ROYALTY OWNERS		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTICIPATION
						AND AMOUNT		AND AMOUNT		AMOUNT		
29	T19S, R37E Sec. 27: SW/4 SE/4 Sec. 35: SW/4 NW/4	80	A-1543 12-29-28	Gulf Oil Corp.	12.5%	State	- 100%	Gulf Oil Corp. J. S. Alcorn & Dorothy Balfour Alcorn - R. H. Seig-fried, Inc. - R. M. Seig-fried, Trustee - M. W. Staples & T. A. Hester, Trustees -	10.9375%	Water Flood Associates, Inc.	- 100%	2.22360
30	T19S, R37E Sec. 26: SW/4 NW/4 & NW/4 SW/4	80	B-2736 4-10-34	Humble Oil & Refg. Co.	12.5%	State	- 100%	None		Humble Oil & Refg. Co.	- 100%	0.66970
31	T19S, R37E Sec. 26: S/2 SW/4	80	B-2736 4-10-34	Gulf Oil Corp.	12.5%	State	- 100%	None		Gulf Oil Corp.	- 100%	1.65618
32	T19S, R37E Sec. 26: SW/4 SE/4	40	B-2656 9-23-33	Continental Oil Co.	12.5%	State	- 100%	None		Continental Oil Co.	- 100%	0.34901
33	T19S, R37E Sec. 34: NW/4 NE/4 & SE/4 NE/4 Sec. 35: NW/4 NE/4	120	E-274 4-10-45	Sinclair Oil & Gas Co.	12.5%	State	- 100%	None		Sinclair Oil & Gas Co.	- 100%	1.53187
34	T19S, R37E Sec. 34: NE/4 NE/4	40	A-1118 9-15-28	Shell Oil Co.	12.5%	State	- 100%	None		Shell Oil Co.	- 100%	1.00413
35	T19S, R37E Sec. 35: NW/4 NW/4	40	B-1651 1-23-33	Tidewater Oil Co.	12.5%	State	- 100%	None		Tidewater Oil Co.	- 100%	0.82858
36	T19S, R37E Sec. 35: E/2 NW/4 & SW/4 SE/4	120	E-5553 9-10-51	Sinclair Oil & Gas Co.	12.5%	State	- 100%	None		Sinclair Oil & Gas Co.	- 100%	3.14492
37	T19S, R37E Sec. 35: NE/4 NE/4	40	E-5458 8-10-51	Texaco, Inc.	12.5%	State	- 100%	None		Texaco, Inc.	- 100%	0.33781

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY AND AMOUNT OWNERS	OVERRIDING ROYALTY OWNERS AND AMOUNT		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTICIPATION
38	T19S, R37E Sec. 35: S/2 NE/4	80	E-5553 9-10-51	Sinclair Oil & Gas Co.	12.5%	State - 100%	Sinclair Oil & Gas Co. -13.12500% Chase Manhattan Bank for Account of Sinclair Oil & Gas Co.- 4.15625% J.S.Alcorn & Dorothy Balfour Alcorn - 2.56348% R.H.Seigfried, Inc. - 3.92024% R.M.Seigfried, Trustee - .54982% M.W.Staples & T.A.Hester, Trustees -12.06922%	Water Flood Associates, Inc.	- 100%	1.41722	
39	T19S, R37E Sec. 35: E/2 SW/4	80	B-2277 12-7-33	California Oil Co.	12.5%	State - 100%	None	California Oil Co.	- 100%	2.20701	
40	T19S, R37E Sec. 35: NW/4 SE/4	40	B-2656 9-23-33	Continental Oil Co.	12.5%	State - 100%	None	Continental Oil Co.	- 100%	1.22348	
41	T19S, R37E Sec. 35: SE/4 SE/4	40	B-2736-9 4-10-34	Wm. A. Hudson & Ed. R. Hudson Anita G. Moore, Ind. Executrix Under Will of Chas. H. Moore, Deceased B.D.Moore, Jr. & Eleanor Moore Frances Moore Shelton & Kenneth Shelton David W. Moore & Mary Lea Moore First Hutchings-Sealy Natl. Bank of Galveston, Agent for: John Knox Hutchings Moore	12.5%	State - 100%	None	Wm.A.Hudson & Ed.R.Hudson -85.000% Anita G. Moore, Ind. Executrix Under Will of Chas. H. Moore, Deceased - 2.280% B.D.Moore, Jr. & Eleanor Moore - 2.280% Frances Moore & Kenneth Shelton - 2.280% David W. Moore & Mary Lea Moore - 2.280% First Hutchings-Sealy Natl. Bank of Galveston, Agent for John Knox Hutchings - 0.765%	1.10427		

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SECTION, NO., AND/OR PART OF THAYER	LESSOR OR RECORD	BASIC ROYALTY	ROYALTY OILS AND MINES	OVERRULING ROYALTY OILS AND MINES	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTIAL PAYMENT
41	(Continued)								
				First National Bank of Roswell, Gdn. of Donald Bartlett Moore, a Minor First Hutchings- Sealy Natl. Bank of Galveston, Trustee of Frances B. Moore Carol Pauls Moore, a Widow					
42	T19S, R37E Sec. 36: SE/4 SW/4 & SW/4 NW/4	80	B-1581 1-4-33	Sinclair Oil & Gas Co.	12.5%	State	- 100%	Sinclair Oil & Gas Co. - 100%	0.45169
43	T19S, R37E Sec. 36: NW/4 SW/4	40	E-5674 10-10-51	Shell Oil Co.	12.5%	State	- 100%	Shell Oil Co. - 100%	0.50171
44	T19S, R37E Sec. 36: SW/4 SW/4	40	B-1167 9-6-32	Shell Oil Co.	12.5%	State	- 100%	Shell Oil Co. - 100%	0.82910
45	T20S, R37E Sec. 2: NE/4 NW/4 & SE/4 NW/4	80.60	B-244.1 9-10-31	Gulf Oil Corp.	12.5%	State	- 100%	Gulf Oil Corp. - 100%	2.64894
46	T20S, R37E Sec. 2: Lots 1 & 2, and S/2 NW/4	160.79	B-2330 12-21-33	Midwestern Oil Co.	12.5%	State	- 100%	Midwestern Oil Co. - 100%	4.88682
47	T20S, R37E Sec. 2: SW/4 SW/4	40	B-1481 12-19-32	Cities Service Oil Co.	12.5%	State	- 100%	Cities Service Oil Co. - 100%	0.25820
48	T20S, R37E Sec. 2: SW/4	160	B-2656 9-23-33	Continental Oil Co.	12.5%	State	- 100%	Continental Oil Co. - 100%	6.57572
49	T20S, R37E Sec. 1: Lots 3 & 4, S/2 NW/4 and SW/4	320.39	B-935 6-6-32	Humble Oil & Refg. Co.	12.5%	State	- 100%	Humble Oil & Refg. Co. - 100%	7.80211

TRACT NO.	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
50	T20S, R37E Sec. 1: W/2 SE/4	80 E-6022 2-11-52	Gulf Oil Corp.	12.5%	State - 100%	Gulf Oil Corp. - 10.9375% R.H.Seigfried, Inc. - 3.7769% R.M.Seigfried, Trustee - .5297% M.W.Staples & T.A.Hester, Trustees - 11.6279%	Water Flood Associates, Inc. - 100%	1.01354

47 State Tracts 4,284.28 Acres or 77.40% of Unit Area

FEE LANDS									
51	T18S, R37E Sec. 33: S/2 SW/4	80	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., & Gordon M. Cone	12.5%	New Mexico Bank & Trust Co., Trustee of Klein Trust	G. M. Cone - 5.46875% on gas	Gordon M. Cone - 50% on oil	0.45103
			12-20-43	Same as above	12.5%	J. Hiram Moore	-12.500%	Schermerhorn Oil Corp. - 25%	
			12-22-43	Same as above	12.5%	New Mexico Bank & Trust Co., Trustee of Est. of Virgil Linam Thelma A. Linam H.T.Moore New Mexico Bank & Trust Co., Trustee of Carlin Trust Myrtle Pevehouse Gordon M. Cone	-12.500% -12.500% - 2.500% -12.500% - 5.625% -29.375%	Lovington Abstract Co. - 50% on gas	

EXHIBIT "B" - PART I (Continued) - Page 8																																								
TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT		OVERRIDING ROYALTY OWNERS AND AMOUNT		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTICIPATION																												
52	T19S, R37E Sec. 4: Lot 4	42.77	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co. & J. U. Cone, Trustee for Kenneth Cone, Clifford Cone, Douglas Cone, Thomas Cone & Cathie Cone Trusts	12.5%	New Mexico Bank & Trust Co., Trustee of Est. of Virgil Linam	-18.75%	Thelma A. Linam	-18.75%	Ruth Vandagriff & T. E. Vanda-griff	-12.50%	Walter T Linam & Ruth B. Linam	-12.50%	Lois R. Linam	-12.50%	M. W. Coll, Estate	-12.50%	A. N. Etz	-6.25%	Geo. Etz	-6.25%	New Mexico Bank & Trust Co., Trustee of Est. of Virgil Linam	-9.375%	Thelma A. Linam	-9.375%	Ruth Vandagriff & T. E. Vanda-griff	-12.500%	Walter T. Linam & Ruth B. Linam	-12.500%	New Mexico Bank & Trust Co., Trustee of Carlin Trust	-9.375%	Lois R. Linam	-12.500%	New Mexico Bank & Trust Co., Trustee of Klein Trust	-9.375%	Geo. Etz	-6.250%	M. W. Coll	-12.500%	0.03864
53	T19S, R37E Sec. 4: Lot 3	42.70	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., & J. U. Cone, Trustee for Kenneth Cone, Clifford Cone, Douglas Cone, Thomas Cone & Cathie Cone Trusts	12.5%	New Mexico Bank & Trust Co., Trustee of Est. of Virgil Linam	-9.375%	Thelma A. Linam	-9.375%	Ruth Vandagriff & T. E. Vanda-griff	-12.500%	Walter T. Linam & Ruth B. Linam	-12.500%	New Mexico Bank & Trust Co., Trustee of Carlin Trust	-9.375%	Lois R. Linam	-12.500%	New Mexico Bank & Trust Co., Trustee of Klein Trust	-9.375%	Geo. Etz	-6.250%	M. W. Coll	-12.500%	Gordon M. Cone	-5.46875%	on gas	J. U. Cone, Trustee for the Cone Trusts	-50%	on oil	Schermerhorn Oil Corp.	-25%	Kenwood Oil Co.	-25%	0.83089						

TRACT NO.		NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
53	(Continued)					A. N. Etz - 6.250%			
54	T19S, R37E Sec. 4: S/2 NW/4	80	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., & Gordon M. Cone	12.5%	New Mexico Bank & Trust Co., Trustee of Est. of Virgil Linam -12.500%	Gordon M. Cone -5.46875% on gas	Gordon M. Cone - 50% on oil	1.55607
			12-20-43	Same as Above	12.5%	Thelma A. Linam -12.500%		Lovington Abstract Co. - 50% on gas	
			12-22-43	Same as Above	12.5%	H. T. Moore - 2.500%			
						J. H. Moore -12.500%			
						New Mexico Bank & Trust Co., Trustee of Carlin Trust		Schermerhorn Oil Co. - 25%	
						New Mexico Bank & Trust Co., Trustee of Klein Trust			
						Myrtle Pevehouse - 5.625%		Kenwood Oil Co. - 25%	
						Gordon M. Cone -29.375%			
55	T19S, R37E Sec. 4: E/2 SE/4	80	9-12-39 4-10-40	Texaco, Inc. Texaco, Inc.	12.5% 12.5%	Alma Goodwin -16.6666%	None	Texaco, Inc. - 75%	1.70695
						Aulena Jennings -16.6667%		The Fluor Corp. - 25%	
						Nell Deforest -16.6667%			
						M. W. Coll Estate -12.5000%			
						Geo. Etz - 6.2500%			
						A. N. Etz, II - 3.1250%			
						Robt. Etz - 3.1250%			
						The Fluor Corp. -25.0000%			

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
36	T19S, R37E Sec. 3: SW/4	160	9-16-46 9-13-55	Texaco, Inc. Texaco, Inc.	12.5% 12.5%	Alma Goodwin - 16.6666% Aulena Jennings - 16.6667% Neil DeForest - 16.6667% M. W. Coll Estate - 12.5000% Geo. Etz - 6.2500% A.N.Etz, II - 3.1250% Robt. Etz - 3.1250% The Fluor Corp. -25.0000%	None	Texaco, Inc.- The Fluor Corp. - 25%	2.50315
37	T19S, R37E Sec. 21: SE/4 NE/4	40	11-16-28	Gulf Oil Corp.	12.5%	R. H. Huston -48.4376% R. H. Huston, Jr. -26.5624% Southern Minerals Corp. -13.3333% Sparks Healey Co. - 5.0000% Graridge Corp. - 6.6667%	None	Gulf Oil Corp. - 100%	0.11350
38	T19S, R37E Sec. 21: NE/4 SE/4	40	11-16-28	Gulf Oil Corp.	12.5%	Southern Minerals Corp. -13.3333% Sparks Healey Co. - 5.0000% Elyse Saunders Patterson - 1.0416% Sue Saunders Graham - 1.0416% Graridge Corp. - 6.6667% Sally Saunders Toles - 1.0416% C. G. Staley - 2.0832% Irene Walker - 2.0836% Elaine M. Walker - 1.0418%	None	Gulf Oil Corp. - 100%	0.33928

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
58	(Continued)					William E. Walker - 1.0418% Herman R. Crile - 1.5624% J. B. Headley - 1.5624% E. Grace Huston - 12.5000% R. H. Huston - 50.0000%			
59	T19S, R37E Sec. 21: SE/4 SE/4	40	11-12-53	Schermerhorn Oil Corp., Kenwood Oil Co. & J. Hiram Moore	12.5%	T. E. Burk & Natalie Burk - 100%	None	Schermerhorn Oil Corp. - 37.5% Kenwood Oil Co. - 37.5% J. Hiram Moore - 25.0%	1.03360
60	T19S, R37E Sec. 27: SW/4 NW/4 Sec. 28: E/2 NE/4	120	9-10-42	Aztec Oil & Gas Co.	12.5%	Samuel T. Burk & Josie M. Burk - 100%	Cities Service Oil Co. - 5.46875% on oil & casing-head gas when monthly production averages 25 Bbls./Well per day, and 2.734375% on all other gas	Aztec Oil & Gas Co. - 100%	2.12081
61	T19S, R37E Sec. 34: NE/4 NW/4	40	5-12-26	Sinclair Oil & Gas Co.	12.5%	Paul D. Anderson - 0.3472% P. V. Anderson - 0.3472% Frank Bateman - 1.5000% A. L. Childers - 2.3611% Julia Cleo Culp - 9.3750% J. H. Elder - 4.7500% L. R. Forrester - 0.1806% R. B. Lambert - 1.3889%	None	Sinclair Oil & Gas Co. - 100%	0.59318

* All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICI- PATION

51 (Continued)

Lawrence C. Taylor & wife Gloria F. Taylor	- 1.33333%								
Lena M. Deviney	- 1.33333%								
Ila Grace Hughes	- 0.2083%								
C. E. Ober- holtzer	- 2.7780%								
Mrs. W. H. Patten	- 11.1111%								
Ralph L. Royster	- 0.6944%								
Tommie Schmidt	- 5.7639%								
A. R. Schwert- feger	- 9.9306%								
Marie J. Self	- 0.6944%								
Ila Grace Hughes, Gdn. of Howard Martin Hughes	- 0.625%								
F. W. Covault Estate	- 0.6944%								
Evelyn K. Meier	- 0.6945%								
Wm. J. Meier & wife Martha D.	- 0.6944%								
Carl Meier & wife Mary L.	- 0.6944%								
Mrs. Myrtle Taylor	- 1.3334%								
Henry H. Taylor	- 15.7421%								
J. L. Taylor & E. Taylor	- 1.3889%								
Johnny S. Taylor	- 1.2413%								
J. S. Taylor, Gdn. of R. R. Taylor, a Minor	- 5.0572%								

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE	LESSEE OF RECORD	BASIC ROYALTY	OVERRIDING		WORKING INTEREST		PERCENT TRACT PARTIAL PARTITION
						ROYALTY OWNERS AND AMOUNT	ROYALTY OWNERS AND AMOUNT	OWNERS AND AMOUNT	OWNERS AND AMOUNT	
61	(Continued)					J. J. Whitsitt - 0.6944% Mae Williams - 9.9306% Florence Woods - 7.1111%				
62	T20S, R37E Sec. 1: Lot 2 & SW/4 NE/4	80.1	4-19-54	Schermerhorn Oil Corp. & Kenwood Oil Co.	12.5%	Mrs. Bert Ellen Weir Camp - 50% Clarabel Weir Tanner - 50%	None	Schermerhorn Oil Corp. - 50% Kenwood Oil Co. - 50%		1.0421%
63	T20S, R37E Sec. 11: NE/4	40	3-3-43 3-30-43 3-27-52 4-27-53 4-27-53 8-28-50	Texaco, Inc. Texaco, Inc. Texaco, Inc. Texaco, Inc. Texaco, Inc. Cities Service Oil Co.	12.5% 12.5% 12.5% 25.0% 25.0% 12.5%	C. H. Weir Estate - 6.25000% J. E. Vaeth & Anna L. Vaeth - 1.56250% New Mexico Bank & Trust Co., Trustee of Carlin Trust - 1.56250% New Mexico Bank & Trust Co., Trustee of Klein Trust - 1.56250% The Atlantic Refg. Co. & Chase Manhattan Bank - 23.43750% Boyce Rush Davis & Williard L. Davis - 0.78125% Ruth R. Weaver & Donald A. Weaver - 0.78125% Lula Rush Blair & L.L. Blair - 1.56250% W.W. Lechner & Ruth N. Lechner - 3.12500%	None	Texaco, Inc. - 50% The Fluor Corp. - 25% Cities Service Oil Co. - 25%		0.30389

* All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
53	(Continued)					R. E. Hubbard, R. E. Hubbard, Jr., & Morgan R. Hubbard, Trustees of Est. of G. E. Hubbard, Deceased - 3.12500% Ray Hubbard & Janet R. Hubbard - 3.12500% Sparks Healey Co. - 5.000000% Southern Minerals Corp. - 13.33330% Graridge Corp. - 6.66670% The Fluor Corp. - 25.000000%			
54	T20S, R37E Sec. 12: SW/4 NE/4 & SE/4 NW/4	80	2-26-43 3-1-43	Texaco, Inc. Texaco, Inc.	12.5% 12.5%	C. H. Weir Estate - 18.75% Thelma A. Linam - 3.1250% New Mexico Bank & Trust Co., Trustee of Carlin Trust - 1.5625% New Mexico Bank & Trust Co., Trustee of Klein Trust - 1.5625% W. A. Yeager & J.M. Armstrong - 6.2500% Mabee Royalties, Inc. - 18.7500% E. M. Johnson - 6.2500% Lois Birge - 3.1250% L. W. Johnson - 3.1250% J. O. Compton - 6.2500%	None	Texaco, Inc. - The Fluor Corp. - 25%	75% 1.82386

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
64	(Continued)					L. O. Wise The Fluor Corp. - 6.2500% -25.0000%			

14 Fee Tracts	965.57 Acres of 17.45% of Unit Area
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RECAPITULATION - EAST EUMONT UNIT AREA:

3 Federal Tracts	285.21 Acres	5.15%
47 State Tracts	4,284.28 Acres	77.40%
14 Fee Tracts	965.57 Acres	17.45%
	5,535.06 Acres	100.00%

* All leases are held by production

FIRST REVISION

EXHIBIT "B" - PART II

RECAPITULATION - UNIT PARTICIPATION

EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

<u>WORKING INTEREST OWNERS</u>	<u>PERCENT UNIT PARTICIPATION IN UNIT AREA</u>
Amerada Petroleum Corporation -----	3.72152
Morris R. Antweil -----	0.55728
The Atlantic Refining Company -----	1.59963
Aztec Oil and Gas Company -----	11.69772
California Oil Company -----	4.41532
Cities Service Oil Company -----	0.33417
Gordon M. Cone and Lovington Abstract Company* -----	1.02288
J. U. Cone, Trustee of Cone Trusts and Lovington Abstract Company* -----	0.41545
Continental Oil Company -----	12.44715
Bert Fields Estate -----	0.37151
First Hutchings-Sealy National Bank of Galveston, Trustee of Frances B. Moore -----	0.03975
First Hutchings-Sealy National Bank of Galveston, Agent for: John Knox Hutchings Moore -----	0.00845
First National Bank of Roswell, Guardian of Donald Bartlett Moore, a Minor -----	0.00845
The Fluor Corporation -----	1.58446
Gulf Oil Corporation -----	10.52382
William A. Hudson and Edward R. Hudson -----	0.93862
Humble Oil & Refining Company -----	11.63775
Jennings Drilling Company -----	0.55728
Kenwood Oil Company -----	1.62779
Anita G. Moore, Independent Executrix of Will of Charles H. Moore, Deceased -----	0.02518
B. D. Moore, Jr. and Eleanor Moore -----	0.02518
Carol Pauls Moore -----	0.00828
David W. Moore and Mary Lea Moore -----	0.02518
J. Hiram Moore -----	0.25840
Pan American Petroleum Corporation -----	0.50863
Schermerhorn Oil Corporation -----	1.62781
Shell Oil Company -----	2.33494
Frances Moore Shelton and Kenneth Shelton -----	0.02518
Sinclair Oil & Gas Company -----	5.72166
Texaco Inc. -----	6.80383
Tidewater Oil Company -----	14.47237
Water Flood Associates, Inc. -----	4.65436
	<hr/> 100.00000

*As to these interests Lovington Abstract Company owns the gas rights and Gordon M. Cone and J. U. Cone, Trustee of the Cone Trusts, respectively, own the oil rights.

CERTIFICATE OF EFFECTIVENESS
OF EAST EUMONT UNIT
LEA COUNTY, NEW MEXICO

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

THAT, WHEREAS, that certain instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," dated September 1, 1964, covering lands in Townships 18, 19, and 20 South, Range 37 East, N.M.P M., Lea County, New Mexico, provides that such Agreement shall become effective as of 7:00 a.m. on the 1st day of the month next following:

- (a) The execution or ratification of such Agreement and the Unit Operating Agreement for the East Eumont Unit by Working Interest Owners owning a combined Unit Participation of at least Eighty Percent (80%), and the execution or ratification of such Agreement by Royalty Owners owning a combined interest of at least Sixty-five Percent (65%) of the Royalty Interest in the Unit Area; and
- (b) The approval of such Agreement by the Commissioner of Public Lands of the State of New Mexico, the Director of the United States Geological Survey, and the New Mexico Oil Conservation Commission; and
- (c) The filing for record in Lea County, New Mexico, by the Unit Operator, of at least one counterpart of such Agreement;

and

WHEREAS, all of the aforementioned conditions have been satisfied and said Unit Agreement became effective at 7:00 a.m. on July 1, 1965, as to all Sixty-four (64) tracts in the Unit Area, and it is the desire of Tidewater Oil Company,

as Unit Operator of the East Eumont Unit, to file of record this Certificate evidencing all of the foregoing as required under Section 22 of said Unit Agreement.

NOW, THEREFORE, Tidewater Oil Company, acting as Unit Operator of the East Eumont Unit, Lea County, New Mexico, and pursuant to Section 22 of the aforementioned Unit Agreement, hereby declares and certifies that conditions (a), (b), and (c) above mentioned have been satisfied and that the Unit Agreement for the East Eumont Unit became effective, according to all its terms, at 7:00 a.m. on July 1, 1965, as to all Sixty-four (64) tracts in the Unit Area. Copies of said Unit Agreement have been filed with the County Clerk of Lea County, New Mexico at Lovington, New Mexico; the Commissioner of Public Lands of the State of New Mexico at Santa Fe, New Mexico; the New Mexico Oil Conservation Commission at Santa Fe, New Mexico; the Regional Oil and Gas Supervisor of the United States Geological Survey at Roswell, New Mexico; and the Director of the United States Geological Survey at Washington, D. C.

IN WITNESS WHEREOF, this instrument has been executed on this the 16 day of July, 1965.

ATTEST:

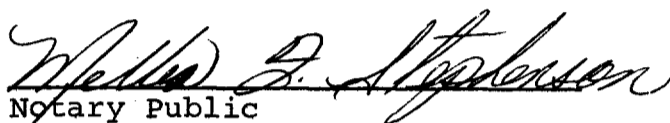
TIDEWATER OIL COMPANY

J. J. J. J. J.
Assistant Secretary

By *T. H. J. J. J.*
Vice President
Acting as Unit Operator of
the East Eumont Unit, Lea
County, New Mexico

THE STATE OF TEXAS }
COUNTY OF HARRIS }

The foregoing instrument was acknowledged before
me the 16 day of July, 1965, by _____
T. G. KELLIHER, Vice President of TIDEWATER OIL
COMPANY, a Delaware corporation, on behalf of said corpora-
tion, acting in the capacity therein stated.


Notary Public

MELBA F. STEPHENSON
Notary Public in and for Harris County, Texas

My commission expires:
6-1-67

EAST EUMONT UNIT
INITIAL PLAN OF OPERATIONS

The unitized interval in this unit is from the top of the Yates to the top of the Grayburg formation. It is planned to increase recovery by injection of water. There are 3 zones in the Penrose (lower Queen) which are sufficiently continuous for waterflooding. These are shown on Exhibit I, Cross-Section 'B-3' as zones 2, 3 and 4. Zone 4, the main pay zone is continuous over the entire unit while zones 2 and 3 are productive over a limited area. Productive limits of those two zones are shown on Exhibit II.

Due to the configuration of the unit and structure a five-spot water-flood pattern is believed advisable for maximum oil recovery. The 80-acre five-spot pattern is shown on Exhibit III and will require the drilling of four injection wells and three producing wells to completely develop this pattern. This exhibit also shows the new well designations.

Injection rates are expected to be 350 B/D/well at a wellhead pressure of 2200 lbs. All injection should be through tubing and packers.

The formations to be flooded in this unit have never been subjected to water injection, therefore, a pilot area of 80 acres will first be installed to answer questions concerning injectivity pressures, rates and the ability to bank oil in this reservoir. This pilot will be installed by converting Unit Wells No. 98, 101, 103 and 107 around producing Well No. 102. The location of this pilot was selected for three reasons.

(a) The unit area is sufficiently wide at this location to allow evaluation of pilot performance by more than one producer.

(b) The pilot area is slightly better than average quality and would be more representative of the area to be flooded first, the south segment.

(c) The pilot can be developed at a minimum expense.

The pilot area injection wells will be equipped with single strings of tubing and one packer. Injectivity tests will be conducted to determine the water distribution in areas where more than main pay zone is floodable. Should it be required to selectively inject into these zones to provide adequate water distribution, such will be done with either dual or triple completions via tubing and packers for each zone.

It should require approximately 10 months for fillup and it is anticipated that in one year, expansion will begin to put the entire south segment on injection. Additional expansion in the central and north segments should occur in one year intervals.

Approved _____
Geoffrey B. Sapp
COMMISSIONER OF PUBLIC LANDS

STATE OF TEXAS
BUREAU OF OIL AND GAS

RECEIVED
JUL 2 1965
OIL & GAS DIVISION
608071

The indicated interval in this unit is from the top of the Yates to the top of the Anadarko Formation. It is planned to increase recovery by injection of water. There are 3 zones in the Pennsylvanian (Lower Pennsylvanian) which are suitably continuous for waterflooding. These are shown on Exhibit 1, Cross-Section 'B-C' as zones 2, 3 and 4. Zone 4, the main pay zone is continuous over the entire unit while zones 2 and 3 are productive over a limited area. Productive limits of these two zones are shown on Exhibit 1E.

Due to the configuration of the unit and structure a five-spot water-flood pattern is believed to be the best pattern for recovery. The 10-acre five-spot pattern is shown on Exhibit 1F and will require the drilling of four injection wells and three producing wells to completely develop this pattern. This exhibit also shows the new well designations.

Injection rates are expected to be 500 bbl./well at a wellhead pressure of 1000 psi. All injection should be through tubing and packers.

The dimensions of the pilot area have never been reported to the Commission. Therefore, a pilot area of 10 acres will have to be located to either produce water or oil. This pilot area will be developed by completing Wells Nos. 10, 101, 103 and 107 as oil producers and Well No. 102 as a water injector. This pilot area was selected for three reasons.

(1) The pilot area is suitably wide at this location to allow evaluation of pilot performance by more than one producer.

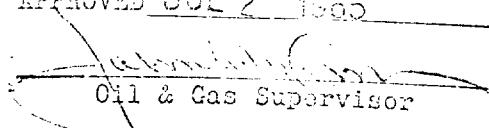
(2) The pilot area is slightly better than average quality and will be more representative of the area to be flooded than the other areas.

(3) The pilot can be developed at a minimum expense.

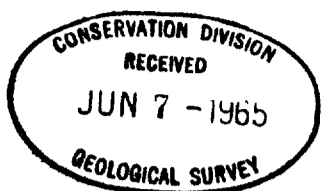
The pilot area injection well will be equipped with single strings of tubing and one packer. Injectivity tests will be conducted to determine the water distribution in areas where more than one pay zone is present. Should it be required to selectively inject into these zones or to make separate water distribution, such will be done with either single or triple completion and during and between for each well.

It should require approximately 10 months for Gilkey and it is anticipated that in one year, expansion will begin to put the entire south unit on production. Additional expansion in the central and north regions should occur in one year intervals.

APPROVED JUL 2 1965


Oil & Gas Supervisor

ILLEGIBLE



CERTIFICATION - DETERMINATION

14-08-0001 86 96


Pursuant to the authority vested in the Secretary of the Interior, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Department Order No. 2365 of October 8, 1947, 43 C. F. R. sec. 4.611, 12 F. R. 6784, I do hereby:

A. Approve the attached Agreement for the development and operation of the East Eumont Unit Area, State of New Mexico, County of Lea.

B. Certify and determine that the unit plan of development and operation contemplated in the attached Agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this Agreement.

Dated JUN 21 1965.


ACTING Director, United States Geological Survey

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

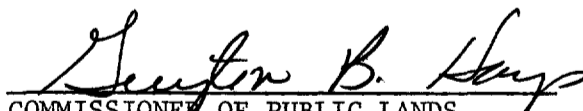
EAST HUNMONT UNIT, LEA COUNTY, NEW MEXICO
WATERFLOOD

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated September 1, 1964, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 20th day of May, 19 65.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
EAST EUMONT UNIT AREA
COUNTY OF LEA
STATE OF NEW MEXICO

RECEIVED

MAY 27 1965

U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

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UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
EAST EUMONT UNIT
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 1st day of September, 1964, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as "parties hereto."

W I T N E S S E T H:

WHEREAS, the parties hereto are the owners of working, royalty or other oil or gas interests in the land subject to this Agreement; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws 1943 as amended by Sec. 1 of Chap. 162, Laws of 1951, Chap. 7, Art. 11, Sec. 39, N.M.S. 1953 anno) to consent to or approve this Agreement on behalf of the State of New Mexico, insofar as it covers and includes lands and mineral interests of the State of New Mexico; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws of 1943, as amended by Sec. 1, Chap. 162, Laws of 1951, Chap. 7, Art. 11, Sec. 41, N.M.S. 1953 anno) to amend with the approval of the lessee, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the term of such unitized development and operation of State lands; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by law (Chap. 72, Laws of 1935, as amended by Chap. 193, Laws of 1937, Chap. 166, Laws of 1941, and Chap. 168, Laws of 1949) to approve this Agreement, and the

conservation provisions hereof; and

WHEREAS, the Mineral Leasing Act of February 25, 1920, (41 Stat. 437, as amended, 30 U.S.C. Sections 181 et seq.) authorizes Federal lessees and their representatives to unite with each other or jointly or separately with others in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field or like area or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the parties hereto hold sufficient interests in the East Eumont Unit covering the land hereinafter described to give reasonably effective control of operation therein; and

WHEREAS, it is the purpose of the parties hereto, to enable institution and consummation of secondary recovery operations, conserve natural resources, prevent waste and secure the other benefits obtainable through development and operation of the area subject to this Agreement under the terms, conditions and limitations herein set forth.

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this Agreement their entire respective interests in the below defined Unit Area, and agree severally among themselves as follows:

SECTION 1. ENABLING ACT AND REGULATIONS: The Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid, pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder and valid, pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this Agreement as to Federal lands, provided such regulations are not inconsistent with the terms of this Agreement; and as to non-Federal lands, the oil and gas operating regulations in effect as of the effective date

hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the non-Federal land is located, are hereby accepted and made a part of this Agreement.

SECTION 2. UNIT AREA AND DEFINITIONS: For the purpose of this Agreement, the following terms and expressions as used herein shall mean:

- (a) "Unit Area" is defined as those lands specified in Exhibit "A" hereof, and such land is hereby designated and recognized as constituting the Unit Area; the lands specified in said Exhibit "A" are described as follows:

Township 18 South, Range 37 East,
N.M.P.M., Lea County, New Mexico

Section 33: S/2 NE/4, SE/4 NW/4, SE/4,
S/2 SW/4 and NE/4 SW/4
Section 34: SW/4 SW/4

Township 19 South, Range 37 East,
N.M.P.M., Lea County, New Mexico

Section 3: Lot 4, S/2 NW/4 and SW/4
Section 4: Lots 1, 2, 3 and 4, S/2 NW/4,
S/2 NE/4 and E/2 SE/4
Section 9: N/2 NE/4
Section 10: NW/4, SW/4, and NW/4 NE/4
Section 15: W/2
Section 16: E/2 E/2 and SW/4 SE/4
Section 21: E/2 E/2
Section 22: W/2 and S/2 SE/4
Section 26: SW/4 NW/4, NW/4 SW/4,
S/2 SW/4, and SW/4 SE/4
Section 27: N/2, SE/4, and E/2 SW/4
Section 28: E/2 NE/4
Section 34: NE/4 NW/4, NW/4 NE/4, and
E/2 NE/4
Section 35: E/2, NW/4 and E/2 SW/4
Section 36: SW/4 NW/4, NW/4 SW/4 and
S/2 SW/4

Township 20 South, Range 37 East,
N.M.P.M., Lea County, New Mexico

Section 1: Lots 2, 3 and 4, S/2 NW/4,
SW/4 NE/4, SW/4 and W/2 SE/4
Section 2: Lots 1, 2 and 3, SE/4 NW/4,
S/2 NE/4, SE/4, and SE/4 SW/4
Section 11: NE/4 NE/4
Section 12: NW/4 NW/4, E/2 NW/4 and
W/2 NE/4

containing 5,535.06 acres, more or less.

- (b) "Commissioner" is defined as the Commissioner of Public Lands of the State of New Mexico,
(c) "Commission" is defined as the Oil Conservation Commission of the State of New Mexico.

- (d) "Director" is defined as the Director of the United States Geological Survey.
- (e) "Secretary" is defined as the Secretary of the Interior of the United States of America.
- (f) "Department" is defined as the Department of the Interior of the United States of America.
- (g) "Supervisor" is defined as the Oil and Gas Supervisor of the United States Geological Survey.
- (h) "Unitized Formation" is defined as and shall mean that vertical interval underlying the unitized land from the top of the Yates Formation to the top of the Grayburg Formation and being the same vertical interval encountered between the subsurface depths of 2856 feet and 3982 feet in the Aztec Oil and Gas Company State E 33 "A" Well No. 1, located in the S/2 SE/4 of Section 33, Township 18 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
- (i) "Unitized Substances" is defined as and shall mean all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate and all associated and constituent liquids or liquefiable hydrocarbons within or produced from the Unitized Formation, save and except, any part of any of the enumerated substances which are committed to a presently existing gas proration unit the well for which is located outside of the Unit Area.
- (j) "Working Interest" is defined as the right to search for, produce and acquire Unitized Substances whether held as an incident of ownership of mineral fee simple title, under an oil and gas lease, or otherwise held.
- (k) "Working Interest Owner" is defined as and shall mean any party hereto owning a Working Interest, including a carried working interest owner, holding an interest in Unitized Substances by virtue of a lease, operating agreement, fee title or otherwise, which interest is chargeable with and obligated to pay or bear, either in cash or out of production, or otherwise, all or a portion of the cost of drilling, developing and producing the Unitized Substances from the Unitized Formation and operating thereof hereunder. The owner of oil and gas rights that are free of lease or other instrument conveying the Working Interest to another shall be regarded as a Working Interest Owner to the extent of seven-eighths (7/8) of his interest in Unitized Substances, and as a Royalty Owner with respect to his remaining one-eighth (1/8) interest therein.
- (l) "Royalty Interest" or "Royalty" is defined as an interest other than a Working Interest in or right to receive a portion of the Unitized Substances or the proceeds thereof and includes the royalty interest reserved by the lessor by an oil and gas lease and any overriding royalty interest, oil payment interest, net profit contracts, or any other payment or burden which does not carry with it either the right to search for and produce Unitized Substances or the obligation to pay or bear, either in cash or out of production, or otherwise, all or a portion of the cost of drilling, developing and producing the Unitized Substances from the Unitized Formation and operating thereof hereunder.

- (m) "Royalty Owner" is defined as and shall mean the owner of a Royalty Interest.
- (n) "Unit Operating Agreement" is defined as and shall mean the agreement styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico," entered into by and between the Unit Operator and the Working Interest Owners as provided in Section 9, *infra*.
- (o) "Unit Manager" is defined as the person or corporation appointed by the Working Interest Owners to perform the duties of the Unit Operator until the selection and qualification of a successor Unit Operator as provided for in Section 7 hereof.
- (p) "Tract" means each parcel of land described as such and given a tract number in Exhibit "B."
- (q) "Tract Surface Acres" means the number of acres in a Tract as shown in Exhibit "B."
- (r) "Unit Area Surface Acres" means the total number of acres in all unitized land as shown in Exhibit "B."
- (s) "Tract Current Production" is defined as the number of barrels of oil produced from the Unitized Formation in a Tract of unitized land from July 1, 1961, down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (t) "Unit Area Current Production" is defined as the total number of barrels of oil produced from the Unitized Formation in all unitized land from July 1, 1961, down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (u) "Tract Cumulative Production" is defined as the number of barrels of oil produced from the Unitized Formation in a Tract of unitized land from the date of first production down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (v) "Unit Area Cumulative Production" is defined as the total number of barrels of oil produced from the Unitized Formation in all unitized land from the date of first production down to January 1, 1962, as reported to the State Oil Conservation Commission.
- (w) "Tract Participation" means the percentage shown on Exhibit "B" for allocating Unitized Substances produced from unitized land to a Tract of said land under this Agreement.
- (x) "Unit Participation" of each Working Interest Owner in unitized land means the sum of the percentages obtained by multiplying the Working Interest of such Working Interest Owner in each Tract of unitized land by the Tract Participation of such Tract.

SECTION 3. EXHIBITS: Exhibit "A" attached hereto is a map showing, to the extent known to the Unit Operator, the Unit Area and the boundaries and identity of Tracts and leases in said

Unit Area. Exhibit "B" attached hereto is a schedule showing, to the extent known to the Unit Operator, the acreage comprising each Tract, the Tract Surface Acres in each Tract, the percentage ownership of each Working Interest Owner in each Tract, and the Tract Participation of each Tract. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes render such revision necessary, and the required number of copies of such revision shall be filed with the Commissioner and the Supervisor.

SECTION 4. EXPANSION: The above described Unit Area may when practicable be expanded to include therein any additional Tract or Tracts (as used in this section, the terms "Tract" and "Tracts" mean not only the parcels of land described as such and given tract numbers in Exhibit "B," but also any other parcels of land proposed to be admitted to the Unit Area) regarded as reasonably necessary or advisable for the purposes of this Agreement to conform with the purposes of this Agreement. Such expansion shall be effected in the following manner:

(a) The Working Interest Owner or Owners of a Tract or Tracts desiring to bring such Tract or Tracts into the Unit Area shall file an application therefor with Unit Operator requesting such admission.

(b) Unit Operator shall circulate a notice of the proposed expansion to each Working Interest Owner in the unit and in the Tract or Tracts proposed to be included in the unit, setting out the basis for admission, the Tract Participation to be assigned to such Tract or Tracts, and other pertinent data. After negotiation (at Working Interest Owners' meeting or otherwise) if owners of 85 percent of the Working Interest in unitized land (on the basis of Unit Participation) have agreed to such Tract or Tracts being brought into the Unit Area, then Unit Operator shall:

(1) After preliminary concurrence by the Director and the Commissioner, prepare a notice of proposed expansion describing the contemplated changes in the boundaries of the Unit Area, the reason therefor, the basis for admission of the additional Tract or Tracts,

the Tract Participation to be assigned thereto and the proposed effective date thereof, preferably the first day of a month subsequent to the date of notice; and

(2) Deliver copies of said notice to the Commissioner, the Supervisor, each Working Interest Owner (mailing copy of such notice to the last known address of each such Working Interest Owner) and each lessee and lessor whose interests are affected, advising such parties that thirty (30) days will be allowed for submission to the Unit Operator of any objection to such proposed expansion; and

(3) File, upon the expiration of said thirty (30) day period as set out in (2) immediately above and provided that objections by owners of not more than fifteen percent (15%) of the Working Interest in unitized land (on the basis of Unit Participation) have been filed thereto, with the Commissioner and Supervisor the following: (a) Comprehensive statement as to mailing such notice of expansion; (b) An application for such expansion; and (c) An instrument containing the appropriate joinders in compliance with the participation requirements of Section 13, *infra*.

The expansion shall, after due consideration of all pertinent information and upon approval by the Commissioner and the Director become effective as of the date prescribed in the notice thereof.

SECTION 5. COMMITTED LAND AND UNITIZED SUBSTANCES: All land effectively committed to this Agreement shall constitute the land referred to herein as "unitized land" or "land subject to this Agreement." All Unitized Substances, as heretofore defined, in or produced from the "unitized land" are hereby unitized under the terms of this Agreement. Surface rights of ingress and egress shall be maintained for the benefit of the Unit. Nothing herein shall be construed to unitize, pool, or in any way affect the oil, gas and other minerals contained in or that may be produced from any formation other than the Unitized Formation.

SECTION 6. UNIT OPERATOR: Tidewater Oil Company, a Delaware corporation, is hereby designated as Unit Operator and by signing this instrument as Unit Operator it agrees and consents to accept the duties and obligations of Unit Operator for

the operation, development and production of Unitized Substances from the unitized land as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interests in Unitized Substances, and the term "Working Interest Owner" when used herein shall include or refer to Unit Operator as the owner of a Working Interest when such an interest is owned by it.

SECTION 7. RESIGNATION OR REMOVAL OF UNIT OPERATOR:

Unit Operator shall have the right to resign at any time, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of six (6) months after written notice of intention to resign has been given by Unit Operator to all Working Interest Owners, the Commissioner and the Supervisor, unless a new Unit Operator shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by owners of 80 percent of the Working Interest in the unitized land (on the basis of Unit Participation) exclusive of the Working Interest owned by the Working Interest Owner who is the Unit Operator. Such removal shall be effective upon notice thereof to the Commissioner and the Supervisor.

In all instances of resignation or removal, until a successor Unit Operator is selected and approved as hereinafter provided, the Working Interest Owners shall be jointly responsible for performance of the duties of Unit Operator and shall not later than thirty (30) days before such resignation or removal becomes effective appoint a Unit Manager to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this Agreement shall not terminate its right, title or interest as the owner of a Working Interest or other interest in Unitized Substances, but upon the resignation or removal of Unit Operator

becoming effective, such Unit Operator shall deliver possession of all equipment, books, and records, materials, appurtenances and any other assets, used in conducting the unit operations and owned by the Working Interest Owners (including any and all data and information which it might have gained or assembled by reason of its operation of the unitized land) to the new duly qualified successor Unit Operator or to the Unit Manager if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

Nothing herein contained shall be construed to relieve or discharge any Unit Operator who resigns or is removed hereunder for any liability or duties accruing or performable by it prior to the effective date of such resignation or removal.

SECTION 8. SUCCESSOR UNIT OPERATOR: Whenever the Unit Operator shall tender its resignation as Unit Operator or shall be removed as hereinabove provided, the Working Interest Owners shall by affirmative vote of at least 70 percent of their voting interest, based upon Unit Participation as shown on Exhibit "B," select a successor Unit Operator; provided, however, that should any Working Interest Owner own a voting interest of more than 30 percent, the vote of said party shall not serve to disapprove the selection of a new Unit Operator approved by 70 percent or more of the voting interests of the remaining Working Interest Owners, and provided further that the Unit Operator shall not vote to succeed himself. Such selection shall not become effective until (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Commissioner and filed with the Supervisor. If no successor Unit Operator or Unit Manager is selected and qualified as herein provided,

the Commissioner and the Director, at their election, may declare this Agreement terminated.

SECTION 9. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT:

Costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid, apportioned among and borne by the Working Interest Owners in accordance with the Unit Operating Agreement. Such Unit Operating Agreement shall also provide for such other rights and obligations as between Unit Operator and Working Interest Owners as may be agreed upon by the Unit Operator and Working Interest Owners; however, no such Unit Operating Agreement shall be deemed either to modify any of the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the Unit Operating Agreement, this Unit Agreement shall prevail. The required number of copies of any Unit Operating Agreement executed pursuant to this Section shall be filed with the Commissioner and the Supervisor, prior to approval of this Agreement.

SECTION 10. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR:

Except as otherwise specifically provided herein, the exclusive right, privilege and duty of exercising any and all rights of the parties hereto which are necessary or convenient for prospecting for, producing, storing, allocating and distributing the Unitized Substances are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said Unit Operator, and together with this Agreement, shall constitute and define the rights, privileges and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this Agreement the Unit Operator, in

its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

SECTION 11. PLAN OF OPERATIONS: It is recognized and agreed by the parties hereto that all of the land subject to this Agreement is reasonably proved to be productive of Unitized Substances in paying quantities and that the object and purpose of this Agreement is to formulate and to put into effect a secondary recovery project in order to effect the greatest ultimate recovery of Unitized Substances, prevent waste and conserve natural resources. The parties hereto agree that the Unit Operator may, subject to the consent and approval of a plan of operation by the Working Interest Owners, the Supervisor, the Commission, and the Commissioner, inject into the Unitized Formation, through any well or wells completed therein, brine, water, air, gas, oil, liquefied petroleum gas, and other substance or a combination of any of said substances, whether produced from the Unitized Formation or not, and that the location of input wells and the rates of injection therein and the rate of production shall be governed by standards of good geologic and petroleum engineering practices and conservation methods. After commencement of secondary operations, Unit Operator shall furnish the Commission, the Commissioner, and the Supervisor monthly injection and production reports for each well on the unitized land. The Working Interest Owners, the Supervisor, the Commission, and the Commissioner shall be furnished periodic reports on the progress of the plan of operation and any revisions or changes thereto; provided, however, that any major revisions of the plan of operation involving a basic deviation from the initial plan of operation shall be subject to the consent and approval of the Working Interest Owners, the Supervisor, the Commission, and the Commissioner.

The initial plan of operation shall be filed with the Supervisor, the Commission, and the Commissioner concurrently with the filing of this Unit Agreement for final approval.

Said initial plan of operation and all revisions thereof shall be as complete and adequate as the Supervisor, the Commission, and the Commissioner may determine to be necessary for timely operation consistent herewith. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of operation.

SECTION 12. TRACT PARTICIPATION: In Exhibit "B" attached hereto, there are listed and numbered the various Tracts within the Unit Area and set forth opposite each Tract is a figure which represents the Tract Participation of such Tract. The formula used for the calculation of such percentages of participation is as follows:

$$5\% \text{ of } \frac{\text{Tract Surface Acres}}{\text{Unit Area Surface Acres}}$$

Plus

$$5\% \text{ of } \frac{\text{Tract Current Production}}{\text{Unit Area Current Production}}$$

Plus

$$90\% \text{ of } \frac{\text{Tract Cumulative Production}}{\text{Unit Area Cumulative Production}}$$

The percentages of participation set forth opposite each Tract in Exhibit "B" were calculated on the basis of one-hundred percent (100%) Tract commitment. If the Unit Agreement is approved with less than one-hundred percent (100%) Tract commitment, said percentages of participation shall be revised to fit the commitment status as of the effective date hereof, and thereafter, as needed pursuant to Section 14 (Allocation of Unitized Substances).

SECTION 13. TRACTS QUALIFIED FOR PARTICIPATION: On and after the effective date hereof the Tracts within the Unit Area which shall be entitled to participation (as provided in Section 12 hereof) in the production of Unitized Substances therefrom

shall be those Tracts more particularly described in said Exhibit "B" that corner or have a common boundary (Tracts separated only by a public highway or a railroad right of way shall be considered to have a common boundary) and otherwise qualify as follows:

- (a) Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this agreement and as to which Royalty Owners owning eighty-five percent (85%) or more of the Royalty Interest have become parties to this agreement.
- (b) Each Tract as to which Working Interest Owners owning one hundred percent (100%) of the Working Interest have become parties to this agreement, and as to which Royalty Owners owning less than eighty-five percent (85%) of the Royalty Interest have become parties to this agreement, and as to which (1) all Working Interest Owners in such Tract have joined in a request for the acceptance of such Tract, and as to which (2) eighty percent (80%) of the combined voting interests of Working Interest Owners in all Tracts that meet the requirements of (a) have voted in favor of the acceptance of such Tract. For the purpose of this Subsection (b), the voting interest of a Working Interest Owner shall be equal to the ratio that its Unit Participation attributable to Tracts that qualify under (a) above bears to the total Unit Participation of all Working Interest Owners attributable to all Tracts that qualify under (a) above.
- (c) Each Tract as to which Working Interest Owners owning less than one hundred percent (100%) of the Working Interest have become parties to this agreement, regardless of the percentage of Royalty Interest therein that is committed hereto; and as to which (1) the Working Interest Owner who operates the Tract and all of the other Working Interest Owners in such Tract who have become parties to this agreement have joined in a request for acceptance of such Tract, and have executed and delivered an indemnity agreement indemnifying and agreeing to hold harmless the Working Interest Owners in all other Tracts that qualify under this Section 13, their successors and assigns, against all claims and demands that may be made by the owners of Working Interests in such Tract who are not parties to this agreement, and which arise out of the acceptance of the Tract; and as to which (2) eighty percent (80%) of the combined voting interest of Working Interest Owners in all Tracts that meet the requirements of (a) and (b) above have voted in favor of the acceptance of such Tract and to accept the indemnity agreement. For the purpose of this Subsection (c), the voting interest of each Working Interest Owner shall be equal to the ratio that its Unit Participation attributable to Tracts that qualify under (a) and (b) above bears to the total Unit Participation of all Working Interest Owners attributable to all Tracts that qualify under (a)

and (b) above. Upon the acceptance of such a Tract, the Unit Participation that would have been attributed to the non-subscribing owners of the Working Interest in such Tract, had they become parties to this agreement and the Unit Operating Agreement, shall be attributed to the Working Interest Owners in such Tract who have become parties to such agreements, in proportion to their respective Working Interests in the Tract.

If, on the effective date of this Agreement, there are any Tract or Tracts in the Unit Area which have not been effectively committed to or made subject to this Agreement by qualifying as above provided, then such Tract or Tracts shall not be considered as unitized land and shall not be entitled to Tract Participation hereunder. Unit Operator, shall, when submitting this Agreement for final approval by the Commissioner and the Director, file therewith a schedule of those Tracts which have been committed and made subject to this Agreement and are entitled to Tract Participation hereunder. Said schedule shall set forth opposite each such committed Tract the lease number or assignment number, the owner of record of the lease, and the Tract Participation of such Tract which shall be computed according to the participation formula set out in Section 12 (Tract Participation) above. This schedule of participation shall be a part of Exhibit "B" and upon approval thereof by the Commissioner and the Director shall become a part of this Agreement and shall govern the allocation of production of Unitized Substances until a new schedule is filed and approved by the Commissioner and the Director.

SECTION 14. ALLOCATION OF UNITIZED SUBSTANCES: All Unitized Substances produced and saved (less, save and except any part of such Unitized Substances used in conformity with good operating practices on said unitized land for drilling, operating, camp and other production or development purposes and for pressure maintenance or unavoidably lost) shall be apportioned among and allocated to the Tracts of unitized land in accordance with the respective Tract Participations then

effective hereunder during the respective periods such Unitized Substances were produced, as set forth in the schedule of participation in Exhibit "B." The amount of Unitized Substances so allocated to each Tract, and only that amount, (regardless of whether it be more or less than the amount of the actual production of Unitized Substances from the well or wells, if any, on such Tract) shall, for all intents, uses and purposes, be deemed to have been produced from such Tract.

The Unitized Substances allocated to each Tract of unitized land shall be distributed among, or accounted for to the parties executing, consenting to or ratifying this Agreement entitled to share in the production from such Tract in the same manner, in the same proportions, and upon the same conditions, as they would have participated and shared in the production from such Tracts, or in the proceeds thereof, had this Agreement not been entered into; and with the same legal force and effect.

No Tract committed to this Agreement and qualified for participation as above provided shall be subsequently excluded from participation hereunder on account of depletion of Unitized Substances, and nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the joinder of any Tract.

If the Working Interest and the Royalty Interest in any Tract are or hereafter become divided with respect to separate parcels or portions of such Tract and owned severally by different persons, the Tract Participation assigned to such Tract shall, in the absence of a recordable instrument executed by all owners and furnished to Unit Operator fixing the divisions of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

The Unitized Substances allocated to each Tract of unitized land shall be delivered in kind to the respective Working Interest Owners and parties entitled thereto by virtue of the ownership of oil and gas rights therein or by purchase from such

owners. Each Working Interest Owner and the parties entitled thereto shall have the continuing right to receive such production in kind at a common point on unitized land and to sell or dispose of the same as it sees fit. Each such party shall have the right to construct, maintain and operate all necessary facilities for that purpose on unitized land, provided the same are so constructed, maintained and operated as not to interfere with operations carried on pursuant hereto. Subject to Section 15 hereof, any extra expenditures incurred by Unit Operator by reason of the delivery in kind of any portion of the Unitized Substances shall be borne by the party receiving the same in kind. If any party hereto shall fail to take in kind or separately dispose of its proportionate share of the production from the unitized land, Unit Operator shall have the right, for the time being and subject to revocation at will by the party owning such share, to purchase for its own account or sell to others such share at not less than the price received by the Working Interest Owner acting as Unit Operator for its proportionate share; provided, however, all contracts of sale by the Unit Operator of any other party's share of said production shall be only for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but in no event shall any such contract be for a period in excess of one (1) year, and further provided, that Unit Operator shall not make a sale into interstate commerce of any other party's share of gas production without first giving such other party sixty (60) days' notice of such intended sale. The net proceeds, if any, of the Unitized Substances so disposed of by Unit Operator shall be paid to the party entitled thereto.

Any party receiving in kind or separately disposing of all or any part of the Unitized Substances allocated to any Tract of unitized land, or receiving the proceeds therefrom if the same is sold or purchased by Unit Operator, shall be responsible for the payment of all Royalty on the lease or leases and Tracts

contributed by it and received into the Unit, and each such party shall hold each other party hereto harmless against all claims, demands and causes of action for such Royalty on the lease or leases and Tracts contributed by it and received into the Unit.

If, after the effective date of this Agreement, there is any Tract (or Tracts) subsequently committed to the Unit Area, as provided in Section 4 (Expansion) hereof, or any Tract (or Tracts) within the Unit Area not committed hereto as of the effective date hereof but which is subsequently committed hereto under the provisions of Section 30 (Nonjoinder and Subsequent Joinder), or if any Tract is excluded from the Unit Area, as provided for in Section 29 (Loss of Title), the Tract Participations as shown in Exhibit "B," subject to Section 12 (Tract Participation) or Section 30 (Nonjoinder and Subsequent Joinder), whichever is appropriate, shall be revised by the Unit Operator and distributed to the Working Interest Owners, the Commissioner, and the Director to show the new Tract Participations of all the then effectively committed Tracts in the Unit Area; and the revised schedules, upon approval by the Commissioner and the Director, shall govern all the allocation of production of Unitized Substances from unitized land from and after the effective date thereof until a new schedule is approved by the Commissioner and the Director.

SECTION 15. ROYALTY SETTLEMENT: The State of New Mexico and the United States of America and all Royalty Owners who, under an existing contract, are entitled to take in kind a share of the substances produced from any Tract of unitized land, shall continue to be entitled to such right to take in kind their share of the Unitized Substances allocated to such Tract, and Unit Operator shall make deliveries of such Royalty share taken in kind in conformity with the applicable contracts, laws and regulations. Settlement for Royalty Interest not taken in kind shall be made by Working Interest Owners responsible therefor under existing contracts, laws and regulations, on or before the last day of each

month for Unitized Substances produced during the preceding calendar month; provided, however, that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any Royalty due under their leases, except that such Royalty shall be computed in accordance with the terms of this Unit Agreement.

If natural gas (as opposed to liquefied petroleum gas) obtained from lands or formations not subject to this Agreement is introduced into the Unitized Formation for use in repressuring, stimulation of production or increasing ultimate recovery in conformity with a plan approved pursuant to Section 11 (Plan of Operation), a like amount of gas, less appropriate deductions for loss from any cause, may be withdrawn from the Unitized Formation royalty free as to dry gas but not as to the products extracted therefrom subject to a plan approved by the Supervisor. If liquefied petroleum gas (as opposed to natural gas) obtained from lands or formations not subject to this Agreement is introduced into the Unitized Formation for the purposes and under the conditions mentioned in the preceding sentence, then part or all of such liquefied petroleum gas may be withdrawn royalty free pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner. The rights of withdrawal in this section contained shall terminate as of the effective date of termination of this Unit Agreement.

All royalty due the State of New Mexico and the United States of America and the other Royalty Owners hereunder shall be computed and paid, at the rates prescribed in the leases, on the basis of all Unitized Substances allocated to the respective Tract or Tracts of unitized land, in lieu of actual production from such Tract or Tracts; provided, that for federal leases on which the royalty rate depends on the daily average production per well,

said average production shall be determined in accordance with the operating regulations as though the unitized land were a single consolidated lease.

Each Royalty Owner (other than the State of New Mexico and the United States of America) that executes this Agreement represents and warrants that it is the owner of a Royalty Interest in a Tract or Tracts within the Unit Area as its interest appears in Exhibit "B" attached hereto. If any Royalty Interest in a Tract or Tracts should be lost by title failure or otherwise in whole or in part, during the term of this Agreement, then the Royalty Interest of the party representing himself to be the owner thereof shall be reduced proportionately and the interest of all parties shall be adjusted accordingly.

SECTION 16. RENTAL SETTLEMENT: Rentals or minimum royalties due on leases committed hereto shall be paid by Working Interest Owners responsible therefor under existing contracts, laws and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof, due under their leases. Rental for lands of the State of New Mexico subject to this Agreement shall be paid at the rate specified in the respective leases from the State of New Mexico. Rental or minimum royalty for lands of the United States of America subject to this Agreement shall be paid at the rate specified in the respective leases from the United States of America, unless rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

SECTION 17. CONSERVATION: Operations hereunder and production of Unitized Substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to Federal and State laws and regulations.

SECTION 18. DRAINAGE: The Unit Operator shall take appropriate and adequate measures to prevent drainage of Unitized Substances from the unitized land by wells on land not subject to this Agreement.

SECTION 19. LEASES AND CONTRACTS CONFORMED AND EXTENDED: The terms, conditions and provisions of all leases, subleases and other contracts relating to exploration, drilling, development or operation for oil or gas on lands committed to this Agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect, and the parties hereto hereby consent that the Secretary and the Commissioner, respectively, shall and by their approval hereof, or by the approval hereof by their duly authorized representatives, do hereby establish, alter, change or revoke the drilling, producing, rental, minimum royalty and royalty requirements of Federal and State leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this Agreement.

Without limiting the generality of the foregoing, all leases, subleases and contracts are particularly modified in accordance with the following:

- (a) The development and operation of lands subject to this Agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every part or separately owned Tract subject to this Agreement, regardless of whether there is any development of any particular part or Tract of the Unit Area, notwithstanding anything to the contrary in any lease, operating agreement or other contract by and between the parties hereto, or their respective predecessors in interest, or any of them.
- (b) Drilling, producing or secondary recovery operations performed hereunder upon any Tract of unitized land shall be accepted and deemed to be performed upon and for the benefit of each and every Tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on land therein embraced.
- (c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent

of the Commissioner and the Supervisor or their duly authorized representatives, shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every Tract of unitized land.

- (d) Each lease, sublease, or contract relating to the exploration, drilling, development or operation for oil and gas which by its terms might expire prior to the termination of this Agreement, is hereby extended beyond any such term so provided therein, so that it shall be continued in full force and effect for and during the term of this Agreement.
- (e) Termination of this Agreement shall not affect any lease which, pursuant to the terms thereof or any applicable laws, shall continue in force and effect thereafter.
- (f) Any lease embracing lands of the State of New Mexico which is made subject to this Agreement, shall continue in force beyond the term provided therein as to the lands committed hereto until the termination hereof.
- (g) Any lease embracing lands of the State of New Mexico having only a portion of its land committed hereto, shall be segregated as to that portion committed and that not committed, and the terms of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. Provided, however, that notwithstanding any of the provisions of this Agreement to the contrary, such lease shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease if oil or gas is, or has heretofore been discovered in paying quantities on some part of the lands embraced in such lease committed to this Agreement or, so long as a portion of the Unitized Substances produced from the Unit Area is, under the terms of this Agreement, allocated to the portion of the lands covered by such lease committed to this Agreement, or, at any time during the term hereof, as to any lease that is then valid and subsisting and upon which the lessee or the Unit Operator is then engaged in bona fide drilling, reworking, or secondary recovery operations on any part of the lands embraced in such lease, then the same as to all lands embraced therein shall remain in full force and effect so long as such operations are diligently prosecuted, and if they result in the production of oil or gas, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as oil or gas in paying quantities is being produced from any portion of said lands.
- (h) The segregation of any Federal lease committed to this Agreement is governed by the following provision in the fourth paragraph of Section 17 (j) of the Mineral Leasing Act, as amended by the Act of September 2, 1960 (74 Stat. 781-784): "Any (Federal) lease heretofore or hereafter committed to any such (unit) plan embracing lands that are in part within and in part outside of the area covered by any such

plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization; Provided, however, that any such lease as to the non-unitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities."

SECTION 20. MATHEMATICAL ERRORS: It is hereby agreed by all parties to this Agreement that Unit Operator is empowered to correct any mathematical or clerical errors which might exist in the pertinent exhibits to this Agreement upon approval of the Commissioner and the Supervisor.

SECTION 21. COVENANTS RUN WITH LAND: The covenants herein shall be construed to be covenants running with the land with respect to the interest of the parties hereto and their successors in interest until this Agreement terminates, and any grant, transfer or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee or other successor in interest. No assignment or transfer of any Working Interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument of transfer; and no assignment or transfer of any Royalty Interest subject hereto shall be binding upon the Working Interest Owner responsible therefor until the first day of the calendar month after said Working Interest Owner is furnished with the original, or acceptable photostatic or certified copy, of the recorded instrument of transfer.

SECTION 22. EFFECTIVE DATE AND TERM: This Agreement shall become binding upon each party who executes or ratifies it as of the date of execution or ratification by such party and shall become effective as of 7:00 o'clock A.M. of the first day of the month next following:

- (a) The execution or ratification of this Agreement and the Unit Operating Agreement by Working Interest Owners owning a combined Unit Participation of at least 80 percent, and the execution or ratification of this Agreement by Royalty Owners owning a combined interest of at least 65 percent of the Royalty Interest, in the Unit Area; and,
- (b) The approval of this Agreement by the Commissioner, the Director, and the Commission; and
- (c) The filing for record in Lea County, New Mexico, by Unit Operator, of at least one counterpart of this Unit Agreement.

If (a), (b), and (c) above are not accomplished on or before July 1, 1965, this Agreement shall ipso facto terminate on said date (hereinafter called "termination date") and thereafter be of no further force or effect, unless prior thereto this Agreement has been executed or ratified by Working Interest Owners owning a combined Unit Participation of at least 60 percent, and the Working Interest Owners owning a combined Unit Participation of at least 85 percent committed to this Agreement have decided to extend said termination date for a period not to exceed six (6) months (hereinafter called "extended termination date"). If said termination date is so extended and (a), (b) and (c) are not accomplished on or before said extended termination date, this Agreement shall ipso facto terminate on said extended termination date and thereafter be of no further force or effect. For the purposes of this Section, ownership shall be computed on the basis of Unit Participation as determined from the original Exhibit "B" attached to the Unit Agreement.

Unit Operator shall, within thirty (30) days after the effective date of this Agreement, file for record a certificate to the effect that this Agreement has become effective according to its terms and stating further the effective date and the location of the governmental agency offices where copies of this Agreement are filed.

The term of this Agreement shall be for and during the time that Unitized Substances are produced in paying quantities from the unitized land and as long thereafter as drilling,

reworking or other operations (including secondary recovery operations) are prosecuted thereon without cessation of more than ninety (90) consecutive days, unless sooner terminated by Working Interest Owners in the manner hereinafter provided.

This Agreement may be terminated with the approval of the Commissioner and the Director by Working Interest Owners owning eighty-five (85%) percent Unit Participation whenever such Working Interest Owners determine that unit operations are no longer profitable, feasible or in the interest of conservation. Notice of any such termination shall be given by Unit Operator to all parties hereto.

Upon termination of this Agreement, the further development and operation of the Unit Area as a Unit shall be abandoned, unit operations shall cease, and thereafter the parties hereto shall be governed by the terms and provisions of the leases and contracts affecting the separate Tracts.

If not otherwise covered by the leases unitized under this Agreement, Royalty Owners hereby grant Working Interest Owners a period of six (6) months after termination of this Agreement in which to salvage, sell, distribute or otherwise dispose of the personal property and facilities used in connection with unit operations.

SECTION 23. RATE OF PROSPECTING, DEVELOPMENT AND PRO-
DUCTION:

All production and the disposal thereof shall be in conformity with allocations and quotas made or fixed by any duly authorized person or regulatory body under any Federal or State statute. The Director is hereby vested with authority to alter or modify from time to time, in his discretion, the rate of prospecting and development and, within the limits made or fixed by the Commission, to alter or modify the quantity and rate of production under this Agreement, such authority being hereby limited to alteration or modification in the public interest, the

purpose thereof and the public interest to be served thereby to be stated in the order of alteration or modification; provided, further that no such alteration or modification shall be effective as to any land of the State of New Mexico as to the rate of prospecting and development in the absence of the specific written approval thereof by the Commissioner and as to any lands of the State of New Mexico or privately-owned lands subject to this Agreement as to the quantity and rate of production in the absence of specific written approval thereof by the Commission.

Powers in this Section vested in the Director shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than fifteen days from notice, and thereafter subject to administrative appeal before becoming final.

SECTION 24. NONDISCRIMINATION: In connection with the performance of work under this Agreement, Unit Operator agrees to comply with all of the provisions of Section 301 (1) to (7) inclusive, of Executive Order 10925, as amended, (28 F.R. 6485), which are incorporated by reference in this Agreement.

SECTION 25. APPEARANCES: Unit Operator shall have the right to appear for or on behalf of any and all interests affected hereby before the Commissioner, the Department, and the Commission, and to appeal from any order issued under the rules and regulations of the Commissioner, the Department, or the Commission, or to apply for relief from any of said rules and regulations or in any proceedings relative to operations before the Commissioner, the Department, or the Commission, or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his or its own expense to be heard in any such proceeding.

SECTION 26. NOTICES: All notices, demands, objections or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if made in writing

and personally delivered to the party or parties or sent by post-paid certified mail, addressed to such party or parties at their respective addresses set forth in connection with the signatures hereto or to the ratification or consent hereof or to such other address as any such party or parties may have furnished in writing to the party sending the notice, demand or statement.

SECTION 27. NO WAIVER OF CERTAIN RIGHTS: Nothing in this Agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the State wherein said unitized lands are located, or rules or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

SECTION 28. UNAVOIDABLE DELAY: All obligations under this Agreement requiring the Unit Operator to commence or continue secondary recovery operations or to operate on or produce Unitized Substances from any of the lands covered by this Agreement shall be suspended while, but only so long as the Unit Operator despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State or municipal law or agency, unavoidable accident, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

SECTION 29. LOSS OF TITLE: In the event title to any Tract of unitized land shall fail so as to render the Tract inoperable under this Agreement and the true owner cannot be induced to join in this Unit Agreement, such Tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account

of the loss of such title. If the title or right of any party claiming the right to receive in kind all or any portion of the Unitized Substances allocated to a Tract of unitized land is in dispute, Unit Operator, at the discretion of Working Interest Owners shall either:

- (a) require that the party to whom such Unitized Substances are delivered or to whom the proceeds thereof are paid, furnish security for the proper accounting therefor to the rightful owner if the title or right of such party fails in whole or in part, or
- (b) withhold and market the portion of Unitized Substances with respect to which title or right is in dispute, and impound the proceeds thereof until such time as the right or title thereto is established by a final judgment of a court of competent jurisdiction or otherwise to the satisfaction of Working Interest Owners, whereupon the proceeds so impounded shall be paid to the party rightfully entitled thereto;

provided, however, that as to State or Federal land or leases, no payments of funds due the State of New Mexico or the United States of America shall be withheld, but such funds shall be deposited as directed by the Commissioner or the Supervisor (as the case may be), to be held as unearned money pending final settlement of the title dispute and then applied as earned or returned in accordance with such final settlement.

Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

SECTION 30. NONJOINDER AND SUBSEQUENT JOINDER: If the owner of any substantial interest in a Tract within the Unit Area fails or refuses to subscribe, ratify, or consent in writing to this Agreement, the Working Interest Owner in that Tract who has executed or ratified this Agreement may withdraw said Tract from this Agreement by written notice to the Director, the Commissioner, and Unit Operator prior to the effective date of this Agreement. Joinder by any Royalty Owner, at any time, must be accompanied by appropriate joinder of the corresponding Working Interest Owner in order for the interest of such Royalty Owner to be regarded as effectively committed. Joinder to the Unit Agreement by a Working

Interest Owner, at any time, must be accompanied by appropriate joinder to the Unit Operating Agreement in order for such interest to be regarded as effectively committed to this Unit Agreement.

Any oil or gas interest in the lands in the Unit Area not committed hereto prior to submission of this Agreement to the Commissioner and the Director for final approval may thereafter be committed hereto upon compliance with the applicable provisions of this Section and of Section 13 (Tracts Qualified for Participation) hereof, at any time up to the effective date hereof on the same basis of participation as provided in said Section 13 by the owner or owners thereof subscribing, ratifying, or consenting in writing to this Agreement and, if the interest is a Working Interest, by the owner of such interest subscribing also to the Unit Operating Agreement, however, after final approval by the Commissioner of this Agreement, any commitment of State land must be approved by the Commissioner.

It is understood and agreed, however, that from and after the effective date hereof the right of subsequent joinder as provided in this Section shall be subject to such requirements or approvals and on such basis as may be agreed upon by owners of eighty-five percent (85%) of the Working Interest in the unitized land (based upon Unit Participation), subject to the approval of the Commissioner and the Director. Such joinder by a proposed Working Interest Owner must be evidenced by his execution or ratification of this Agreement and the Unit Operating Agreement and where State land is involved, such joinder must be approved by the Commissioner. Such joinder by a proposed Royalty Owner must be evidenced by his execution, ratification or consent of this Agreement and must be consented to in writing by the Working Interest Owner responsible for the payment of any benefits that may accrue hereunder in behalf of such proposed Royalty Owner. Except as may be otherwise herein provided, subsequent joinder to this Agreement shall be effective at 7:00 A.M. as of the first day of the month following the filing with the Commissioner and the Supervisor of duly executed counterparts of any and all

documents necessary to establish effective commitment of any Tract or interest to this Agreement, unless objection to such joinder by the Commissioner or the Director is duly made within sixty (60) days after such filing. Notwithstanding any provision to the contrary, any commitment of State of New Mexico land must be approved by the Commissioner.

SECTION 31. COUNTERPARTS: This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties and may be ratified or consented to by separate instrument in writing specifically referring hereto, and shall be binding upon all those parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above-described Unit Area.

SECTION 32. TAXES: Each party hereto shall, for its own account, render and pay its share of any taxes levied against or measured by the amount or value of the Unitized Substances produced from the unitized land; provided, however, that if it is required or if it be determined that the Unit Operator or the several Working Interest Owners must pay or advance said taxes for the account of the parties hereto, it is hereby expressly agreed that the parties so paying or advancing said taxes shall be reimbursed therefor by the parties hereto, including Royalty Owners, who may be responsible for the taxes on their respective allocated share of said Unitized Substances. No such taxes shall be charged to the United States or to the State of New Mexico, nor to any lessor who has a contract with a lessee which requires his lessee to pay such taxes.

SECTION 33. CONFLICT OF SUPERVISION: Neither the Unit Operator nor the Working Interest Owners, nor any of them, shall be subject to any forfeiture, termination or expiration of any rights hereunder or under any leases or contracts subject hereto, or to any penalty or liability on account of delay or failure in

whole or in part to comply with any applicable provisions thereof to the extent that the said Unit Operator or the Working Interest Owners, or any of them, are hindered, delayed or prevented from complying therewith by reason of failure of the Unit Operator to obtain, in the exercise of due diligence, the concurrence of proper representatives of the United States and proper representatives of the State of New Mexico in and about any matters or things concerning which it is required herein that such concurrence be obtained. The parties hereto and the Commission agree that all powers and authority vested in the Commission in and by any provisions of this Agreement are vested in the Commission and shall be exercised by it pursuant to the provisions of the laws of the State of New Mexico and subject in any case to appeal or judicial review as may now or hereafter be provided by the laws of the State of New Mexico.

SECTION 34. LIMITATION OF APPROVALS: Notwithstanding anything herein contained to the contrary, if no Federal lands are committed to this Agreement, then no consents or approvals provided herein shall be required of the Department, the Secretary, the Director, or the Supervisor, and it shall not be necessary to file any instrument hereunder with said officers or agencies unless and until Federal lands are so committed to this Agreement; likewise, if no State lands are committed to this Agreement, then no consents or approvals provided herein shall be required of the Commissioner, and it shall not be necessary to file any instrument hereunder with said officer unless and until State lands are so committed to this Agreement.

SECTION 35. BORDER AGREEMENTS: Subject to the approval of the Supervisor and the Commissioner, the Unit Operator, with concurrence of owners of sixty-five (65%) percent of the Working Interest in the unitized land (based upon Unit Participation) may enter into a border protection agreement or agreements with the

Working Interest Owners of adjacent lands along the boundaries of the unitized land with respect to the operations in the border area for the maximum ultimate recovery, conservation purposes and proper protection of the parties and interests.

SECTION 36. NO PARTNERSHIP: The duties, obligations, and liabilities of the parties hereto are intended to be several and not joint or collective. This Agreement is not intended to create, and shall not be construed to create, an association or trust, or to impose a partnership duty, obligation or liability with regard to any one or more of the parties hereto. Each party hereto shall be individually responsible for its own obligations as herein provided. This Agreement is not intended to provide, and shall not be construed to provide, directly or indirectly, for any cooperative refining, joint sale, or marketing of Unitized Substances.


SECTION 37. OIL IN LEASE TANKAGE ON EFFECTIVE DATE: Unit Operator shall make a proper and timely gauge of all lease and other tanks on the unitized land in order to ascertain the amount of merchantable oil in such tanks, above the pipe line connections, as of 7:00 A.M. on the effective date hereof. All such oil as is a part of the prior allowable of the well or wells from which the same was produced shall be and remain the property of the Working Interest Owners entitled thereto the same as if the Unit had not been formed, and such Working Interest Owners shall promptly remove said oil from the unitized land. Any such oil not so removed may be sold by the Unit Operator for the account of such Working Interest Owners, subject to the payment of all Royalty to Royalty Owners under the terms and provisions of the applicable lease or leases and other contracts. All such oil and gas as is in excess of the prior allowable of the well or wells from which the same was produced shall be regarded and treated the same as Unitized Substances produced after the effective

date hereof. If, as of the effective date hereof, any Tract is overproduced with respect to the allowable of the well or wells on that Tract and the amount of such overproduction has been sold or otherwise disposed of, such overproduction shall be regarded and included as a part of the Unitized Substances produced after the effective date hereof.

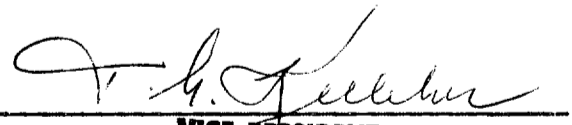
SECTION 38. PERSONAL PROPERTY EXCEPTED: All lease and well equipment, materials, and other facilities heretofore or hereafter placed by any of the Working Interest Owners on the lands subject to this Agreement shall be deemed to be and shall remain personal property belonging to and may be removed by the Working Interest Owners. The rights and interests therein as among Working Interest Owners are covered by the Unit Operating Agreement.

SECTION 39. WAIVER OF RIGHT TO PARTITION: Each party hereto covenants that, during the existence of this Agreement, it will not resort to any action to partition the Unit Area as to the Unitized Formation or the personal property and equipment used in the operation thereof, and to that extent waives the benefits of all laws authorizing such partition.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and have set opposite their respective names the date of execution.

ATTEST:

Assistant Secretary
Date: 3-3-65

TIDEWATER OIL COMPANY

By 
VICE PRESIDENT

UNIT OPERATOR AND WORKING
INTEREST OWNER

ATTEST:

Secretary
Date: _____

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

WORKING INTEREST OWNERS

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

ATTEST:

Date: _____ Secretary

By _____
President

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

ROYALTY INTEREST OWNERS

STATE OF Texas,
COUNTY OF Harris.

The foregoing instrument was acknowledged before me this
3 day of March, 1965, by T. G. KELLIHER,
Vice President of TIDEWATER OIL COMPANY, a Delaware corporation, on
behalf of said corporation.

My Commission Expires:

~~3-3-65~~ 6-1-65

Virginia Holloman
(Notary Public

VIRGINIA HOLLOMAN
Notary Public in and for Harris County, Texas

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this
_____ day of _____, 196____, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this
_____ day of _____, 196____, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this
_____ day of _____, 196____, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this
_____ day of _____, 196____, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

R 37 E

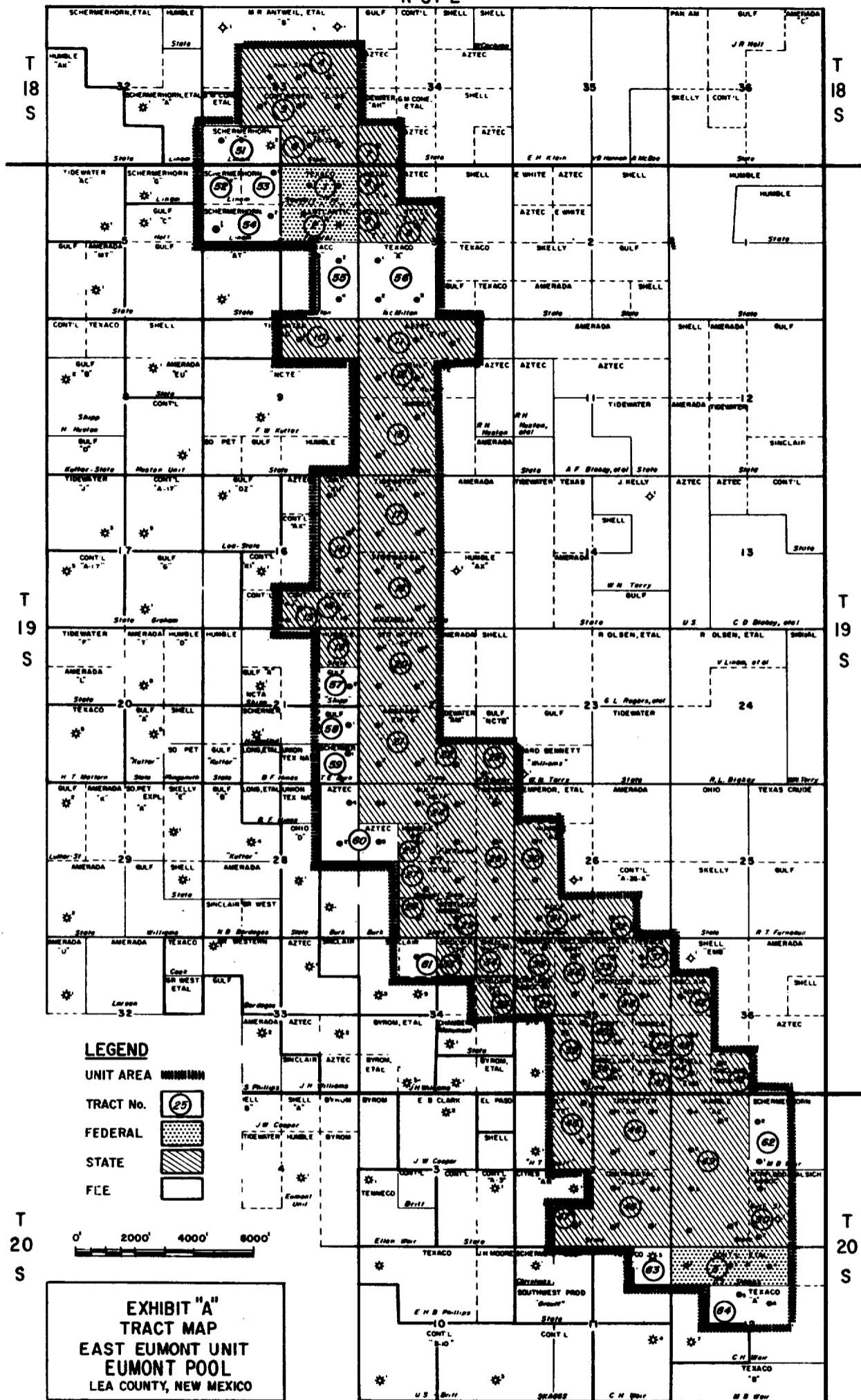


EXHIBIT "B" - PART I
SCHEDULE OF OWNERSHIP OF TRACTS
EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

TRACT NO.	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
<u>FEDERAL LANDS</u>								
1	T-19-S, R-37-E 85.21 Sec. 4: Lots 1 and 2	NM-02053 11-1-50	Texaco Inc.	12.5% USA	- 100%	Olen F. Featherstone A. M. Jackson - 1.0% Sue S. Graham - 1.5% Flyse S. Patterson - 0.5% Sally S. Toles - 0.5%	Texaco Inc. - 100%	1.78860
2	T-19-S, R-37-E 80 Sec. 4: S/2 NE/4	NM-029141 11-1-56	The Atlantic Refg. Co.	Schedule USA "B"	- 100%	None	The Atlantic Refg. Co. - 100%	1.09100
3	T-20-S, R-37-E 120 Sec. 12: N/2 NW/4 and NW/4 NE/4	LC 031620(b) 7-2-37	Continental Oil Co., The Atlantic Refg. Co., California Oil Co., and Pan American Pet. Corp., as Trustees for J. M. Skaggs	Sliding Scale (Schedule D) 12.5% to 33-1/3%	- 100%	None	Continental Oil Co. - 25% The Atlantic Refg. Co. - 25% Pan American Pet. Corp. - 25% California Oil Co. - 25%	2.03452

3 Federal Tracts 285.21 Acres or 5.15% of Unit Area

<u>STATE LANDS</u>								
4	T-18-S, R-37-E 120 Sec. 33: S/2 NE/4 and SE/4 NW/4	E-7183 6-10-53	Ralph Lowe	12.5% State	- 100%	Ralph Lowe - 6.25% on oil and 12.50% on gas	Morris R. Antweil Jennings Drig. Co. - 37.5% Bert Fields - 25.0%	1.48607
5	T-18-S, R-37-E 120 Sec. 33: N/2 SE/4 and NE/4 SW/4	B-15333 1/2 12-22-32	Continental Oil Co.	12.5% State	- 100%	None	Continental Oil Co. - 100%	1.52276

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY		ROYALTY OWNERS AND AMOUNT		OVERRIDE ROYALTY OWNERS AND AMOUNT		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTICIPATION
					ROYALTY	State							
6	T-18-S, R-37-E Sec. 33: S/2 SE/4	80	E-8568 10-19-54	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	2.22336
7	T-18-S, R-37-E Sec. 34: SW/4 SW/4	40	B-1651 1-23-33	Tidewater Oil Co.	12.5%	State	- 100%	None			Tidewater Oil Co.	- 100%	0.40326
8	T-19-S, R-37-E Sec. 3: Lot 4 and SE/4 NW/4	82.50	E-6424-1 8-11-62	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	1.05847
9	T-19-S, R-37-E Sec. 3: SW/4 NW/4	40	E-9122 6-21-55	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	1.08250
10	T-19-S, R-37-E Sec. 9: N/2 NE/4	80	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State	- 100%	None			Tidewater Oil Co.	- 100%	1.01274
11	T-19-S, R-37-E Sec. 10: N/2 NW/4 and NW/4 NE/4	120	E-6574-1 10-10-52	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	2.12563
12	T-19-S, R-37-E Sec. 10: S/2 NW/4	80	B-246-1 9-30-31	Gypsy Oil Co.	12.5%	State	- 100%	None			Gulf Oil Corp.	- 100%	0.86151
13	T-19-S, R-37-E Sec. 10: SW/4	160	B-2209 11-7-33	F. Wm. Kutter	12.5%	State	- 100%	None			Humble Oil & Refg. Co.	- 100%	1.11140
14	T-19-S, R-37-E Sec. 16: E/2 NE/4 and NE/4 SE/4	120	B-243 9-10-31	Gypsy Oil Co.	12.5%	State	- 100%	Gulf Oil Corp.	- 10.9375%		Continental Oil Co.	- 100%	1.59191
15	T-19-S, R-37-E Sec. 16: SW/4 SE/4	40	E-7667 12-15-33	John M. Kelly	12.5%	State	- 100%	None			Continental Oil Co.	- 100%	0.67564
16	T-19-S, R-37-E Sec. 16: SE/4 SE/4	40	E-5889-1 1-10-52	Aztec Oil & Gas Co.	12.5%	State	- 100%	None			Aztec Oil & Gas Co.	- 100%	0.44901
17	T-19-S, R-37-E Sec. 15: NW/4	160	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State	- 100%	None			Tidewater Oil Co.	- 100%	1.62430
18	T-19-S, R-37-E Sec. 15: SW/4	160	E-2721 6-10-49	Socony-Mobil Oil Co.	12.5%	State	- 100%	None			Tidewater Oil Co.	- 100%	1.67918
19	T-19-S, R-37-E Sec. 21: NE/4 NE/4	40	B-2209 11-7-33	F. Wm. Kutter	12.5%	State	- 100%	None			Humble Oil & Refg. Co.	- 100%	0.03614
20	T-19-S, R-37-E Sec. 22: NW/4	160	B-2277 12-7-33	California Oil Co.	12.5%	State	- 100%	None			California Oil Co.	- 100%	1.69968

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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	OVERRIDING ROYALTY OWNERS		WORKING INTEREST OWNERS AND AMOUNT		PERCENT TRACT PARTICIPATION	
						ROYALTY AND AMOUNT	ROYALTY AND AMOUNT	AMOUNT			
21	T-19-S, R-37-E Sec. 22: SW/4	160	A-1469 12-18-28	Amerada Pet. Corp.	12.5%	State	- 100%	None	Amerada Pet. Corp.	- 100%	3.72152
22	T-19-S, R-37-E Sec. 22: SW/4 SE/4	40	E-6706 12-10-52	Tidewater Oil Co.	12.5%	State	- 100%	None	Tidewater Oil Co.	- 100%	0.87510
23	T-19-S, R-37-E Sec. 22: SE/4 SE/4	40	B-1973-1 6-10-33	Gypsy Oil Co.	12.5%	State	- 100%	None	Gulf Oil Corp.	- 100%	0.45332
24	T-19-S, R-37-E Sec. 27: W/2 NE/4 and N/2 NW/4	160	B-246-1 9-10-31	Gypsy Oil Co.	12.5%	State	- 100%	None	Gulf Oil Corp.	- 100%	4.45109
25	T-19-S, R-37-E Sec. 27: SE/4 NW/4 Sec. 35: NE/4 SE/4	80	E-6888 1-10-53	Humble Oil & Refg. Co.	12.5%	State	- 100%	None	Humble Oil & Refg. Co.	- 100%	2.01836
26	T-19-S, R-37-E Sec. 27: E/2 E/2	160	B-2330 12-21-33	Tidewater Oil Co.	12.5%	State	- 100%	None	Tidewater Oil Co.	- 100%	3.16239
27	T-19-S, R-37-E Sec. 27: NE/4 SW/4 and NW/4 SE/4	80	B-9130-5 5-10-41	Aztec Oil & Gas Co.	12.5%	State	- 100%	J. C. Maxwell	Aztec Oil & Gas Co.	- 100%	1.85429
28	T-19-S, R-37-E Sec. 27: SE/4 SW/4	40	B-9130-6 5-10-41	Aztec Oil & Gas Co.	12.5%	State	- 100%	Pan American Pet. Corp.	Aztec Oil & Gas Co.	- 100%	0.78365
29	T-19-S, R-37-E Sec. 27: SW/4 SE/4 Sec. 35: SW/4 NW/4	80	A-1543 12-29-28	Gypsy Oil Co.	12.5%	State	- 100%	Gulf Oil Corp. J. S. Alcorn and Dorothy Balfour Alcorn	Waterflood Associates, Inc. R. H. Siegfried, Inc. Staples Oil Co. Mardy's Oil Co. M. W. Staples & T. A. Hester, Trustees for the Martha Lou Hester, Trust	- 16.750% - 22.500% - 12.000% - 12.000% - 12.000%	2.22360

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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
29 (Continued)									
30	T-19-S, R-37-E 80 Sec. 26: SW/4 NW/4 and NW/4 SW/4		B-2736 4-10-34	Wm. A. Hudson and Edward R. Hudson	12.5%	State	- 100% None	T. A. Hester, Inc. - 10.000% Hester Oil Co. - 10.000% Marjalu Oil Co. - 6.375% Humble Oil & Ref. Co. - 100%	0.66970
31	T-19-S, R-37-E 80 Sec. 26: S/2 SW/4		B-2736 4-10-34	Gypsy Oil Co.	12.5%	State	- 100% None	Gulf Oil Corp. - 100% Continental Oil Co. - 100%	1.65618 0.34901
32	T-19-S, R-37-E 40 Sec. 26: SW/4 SE/4		B-2656 9-23-33	Continental Oil Co.	12.5%	State	- 100% None	Continental Oil Co. - 100%	0.34901
33	T-19-S, R-37-E 120 Sec. 34: NW/4 NE/4 and SE/4 NE/4 Sec. 35: NW/4 NE/4		E-274 4-10-45	Sinclair Oil & Gas Co.	12.5%	State	- 100% None	Sinclair Oil & Gas Co. - 100%	1.53187
34	T-19-S, R-37-E 40 Sec. 34: NE/4 NE/4		A-1118 9-15-28	Shell Oil Co.	12.5%	State	- 100% None	Shell Oil Co. - 100%	1.00413
35	T-19-S, R-37-E 40 Sec. 35: NW/4 NW/4		B-1651 1-23-33	Tidewater Oil Co.	12.5%	State	- 100% None	Tidewater Oil Co. - 100%	0.82858
36	T-19-S, R-37-E 120 Sec. 35: E/2 NW/4 and SW/4 SE/4		E-5553 9-10-51	Sinclair Oil & Gas Co.	12.5%	State	- 100% None	Sinclair Oil & Gas Co. - 100%	3.14492
37	T-19-S, R-37-E 40 Sec. 35: NE/4 NE/4		E-5458 8-10-51	Texaco Inc.	12.5%	State	- 100% None	Texaco Inc. - 100%	0.33781
38	T-19-S, R-37-E 80 Sec. 35: S/2 NE/4		E-5553 9-10-51	Southern Production Co.	12.5%	State	- 100% None	Waterflood Associates, Inc. - 16.750% R. H. Siegfried, Inc. - 22.500% Staples Oil Co. - 12.000% Mardy's Oil Co. - 12.000% M. W. Staples & T. A. Alcorn and Hester,	1.41722

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38 (Continued)							Dorothy Balfour Alcorn - 2.56348%	Trustees for the Martha Lou Hester, Trust T. A. Hester, Inc. Hester Oil Co. - 10.375% - 10.000% - 10.000% Marjalu Oil Co. - 6.375%	
39	T-19-S, R-37-E Sec. 35: E/2 SW/4	80	B-2277 12-7-33	California Oil Co.	12.5% State	- 100% None		California Oil Co. - 100%	2.20701
40	T-19-S, R-37-E Sec. 35: NW/4 SE/4	40	B-2656 9-23-33	Continental Oil Co.	12.5% State	- 100% None		Continental Oil Co. - 100%	1.22348
41	T-19-S, R-37-E Sec. 35: SE/4 SE/4	40	B-2736-9 4-10-34	William A. Hudson and Edward R. Hudson	12.5% State	- 100% None		William A. Hudson and Edward R. Hudson Anita G. Moore, Independent Executrix under Will of Chas. H. Moore, Deceased B. D. Moore, Jr. and Eleanor Moore Frances Moore Shelton and Kenneth Shelton David W. Moore and Mary Lea Moore - 2.280%	1.10427

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41	(Continued)								
								First Hutchings-Sealy Nat'l Bank of Galveston, Agent for: John Knox Hutchings Moore - 0.765%	
								First Nat'l Bank of Roswell, Gdn. of Donald Bartlett Moore, a Minor - 0.765%	
								Hutchings-Sealy Nat'l Bank of Galveston, Trustee of Frances B. Moore, - 3.600%	
								Pauls Moore, a Widow - 0.750%	
42	T-19-S, R-37-E 80 Sec. 36: SE 1/4 SW 1/4 and SW 1/4 NW 1/4		B-1581 1-4-33	Sinclair Oil & Gas Co.	12.5%	State - 100%	None	Sinclair Oil & Gas Co. - 100%	0.45169
43	T-19-S, R-37-E 40 Sec. 36: NW 1/4 SW 1/4		E-5674 10-10-51	Shell Oil Co.	12.5%	State - 100%	None	Shell Oil Co. - 100%	0.50171
44	T-19-S, R-37-E 40 Sec. 36: SW 1/4 SW 1/4		B-1167 9-6-32	Shell Oil Co.	12.5%	State - 100%	None	Shell Oil Co. - 100%	0.82910
45	T-20-S, R-37-E 80.60 Sec. 2: Lot 3, NE 1/4 NW 1/4 and SE 1/4 NW 1/4		B-244-1 9-10-31	Gypsy Oil Co.	12.5%	State - 100%	None	Gulf Oil Corp. - 100%	2.64894
46	T-20-S, R-37-E 160.79 Sec. 2: Lots 1 and 2 and S 1/2 NE 1/4		B-2330 12-21-33	Tidewater Oil Co.	12.5%	State - 100%	None	Tidewater Oil Co. - 100%	4.88682

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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
47	T-20-S, R-37-E Sec. 2: SE/4 SW/4	40	B-1481 12-19-32	Empire Gas & Fuel Co.	12.5%	State - 100%	None	Cities Service Oil Co. - 100%	0.25820
48	T-20-S, R-37-E Sec. 2: SE/4	160	B-2656 9-23-33	Continental Oil Co.	12.5%	State - 100%	None	Continental Oil Co. - 100%	6.57572
49	T-20-S, R-37-E Sec. 1: Lots 3 and 4, S/2 NW/4 and SW/4	320.39	B-935 6-6-32	Humble Oil & Refg. Co.	12.5%	State - 100%	None	Humble Oil & Refg. Co. - 100%	7.80215
50	T-20-S, R-37-E Sec. 1: W/2 SE/4	80	E-6022 2-11-52	Gulf Oil Corp.	12.5%	State - 100%	Gulf Oil Corp. - 10.9375%	Waterflood Associates, Inc. - 16.750% R. H. Siegfried, Inc. - 22.500% Staples Oil Co. - 12.000% Mardy's Oil Co. - 12.000% M. W. Staples & T. A. Hester, Trustees for the Martha Lou Hester, Trust T. A. Hester, Inc. - 10.000% Hester Oil Co. - 10.000% Marjalu Oil Co. - 6.375%	1.01354

47 State Tracts 4,284.28 Acres or 77.40% of Unit Area

FREE LANDS

51	T-18-S, R-37-E Sec. 33: S/2 SW/4	80	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and Gordon M. Cone	12.5%	New Mexico Bank & Trust Co., Trustee of Klein Trust - 12.500%	G. M. Cone - 5.46875% on gas	Gordon M. Cone Lovington Abstract Co. - 50% on oil - 50% on gas	0.45103
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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
52	T-19-S, R-37-E Sec. 4: Lot 4	42.77	12-20-43	Same as above	12.5%	J. Hiram Moore - 12.500%		Schermerhorn Oil Corp. - 25%	
			12-22-43	Same as above	12.5%	Virgil Linam and Thelma A. Linam - 25.000% H. T. Moore - 2.500% New Mexico Bank & Trust Co., Trustee of Carlin Trust - 12.500% Myrtle Pevehouse - 5.625% Gordon M. Cone - 29.375%		Schermerhorn Oil Corp. and Kenwood Oil Co. - 25%	
52	T-19-S, R-37-E Sec. 4: Lot 4	42.77	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and J. U. Cone, Trustee for Kenneth Cone, Clifford Cone, Douglas Cone, Thomas Cone and Cathie Cone Trusts	12.5%	Virgil Linam and Thelma A. Linam - 37.50%	Virgil Linam and Thelma A. Linam - 2.05078%	Iovington Abstract Co. - 50% on Gas	0.03864
						Ruth Van-dagriff and T. E. Van-dagriff - 12.50%	Ruth Van-dagriff and T. E. Van-dagriff - 0.68359%	Gordon M. Cone - 50% on oil	
						Walter T. Linam and Ruth B. Linam - 12.50%	Walter T. Linam & Ruth B. Linam - 0.68359%	Schermerhorn Oil Corp. and Kenwood Oil Co. - 25%	
						Lois R. Linam - 12.50%	Lois R. Linam - 0.68359%		
						M. W. Coll - 12.50%	Gordon M. Cone - 5.46875%		
						A. N. Etz - 6.25%			
						Geo. Etz - 6.25%			
53	T-19-S, R-37-E Sec. 4: Lot 3	42.70	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and J. U. Cone, Trustee for Kenneth Cone, Clifford Cone, Douglas Cone, Thomas Cone and Cathie Cone Trusts	12.5%	Virgil Linam and Thelma A. Linam - 18.750%	Gordon M. Cone - 5.46875% on Gas	Iovington Abstract Co. - 50% on Gas	0.83089
						Ruth Van-dagriff and T. E. Van-dagriff - 12.500%		J. U. Cone, Trustee for the Cone Trusts - 50% on oil	
			12-9-53	Same as above	25%	Walter T. Linam and Ruth B. Linam - 12.500%		Schermerhorn Oil Corp. and Kenwood Oil Co. - 25%	
			12-9-53	Same as above	25%				

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TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
53 (Continued)						New Mexico Bank & Trust Co., Trustee of Carlin			
						Lois R. Linam	- 9.375%		
						New Mexico Bank & Trust Co., Trustee of Klein			
						Trust	- 9.375%		
						Geo. Etz	- 6.250%		
						M. W. Coll	- 12.500%		
						A. N. Etz	- 6.250%		
54	T-19-S, R-37-E Sec. 4: S/2 NW/4	80	12-1-53	Schermerhorn Oil Corp., Kenwood Oil Co., and Gordon M. Cone	12.5%	Virgil Linam and Thelma A. Linam		Gordon M. Cone - 5.46875% on gas	1.55607
						H. T. Moore	- 25.000%	Gordon M. Cone - 50% on oil	
						J. H. Moore	- 2.500%	Lovington Abstract Co. - 50% on gas	
						New Mexico Bank & Trust Co., Trustee of Carlin	- 12.500%	Schermerhorn Oil Corp. Kenwood Oil Co.	- 25%
						New Mexico Bank & Trust Co., Trustee of			
						Trust	- 12.500%		
						New Mexico Bank & Trust Co., Trustee of Klein			
						Trust	- 12.500%		
						Myrtle Pevehouse	- 5.625%		
						Gordon M. Cone	- 29.375%		
55	T-19-S, R-37-E Sec. 4: E/2 SE/4	80	9-12-39 4-10-40	Texaco Inc. Texaco Inc.	12.5% 12.5%	Alma Goodwin		None	
						Aulena Jennings	- 16.6666%	Texaco Inc. The Fluor Corp.	- 75% 1.70695
						Neil DeForest	- 16.6667%		- 25%
						M. W. Coll			
						Estate	- 12.5000%		

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55 (Continued)						Geo. Etz - 6.2500% A. N. Etz, II - 3.1250% Robert Etz - 3.1250% The Fluor Corp. - 25.0000%			
56	T-19-S, R-37-E Sec. 3: SW/4	160	9-16-46 9-13-55	Texaco Inc. Texaco Inc.	12.5% 12.5%	Alma Goodwin - 16.6666% Aulena Jennings - 16.6667% Neil DeForest - 16.6667% M. W. Coll Estate - 12.5000% Geo. Etz - 6.2500% A. N. Etz, II - 3.1250% Robert Etz - 3.1250% The Fluor Corp. - 25.0000%	None	Texaco Inc. The Fluor Corp. - 75% - 25%	2.50315
57	T-19-S, R-37-E Sec. 21: SE/4 NE/4	40	11-16-28	F. L. Luckel	12.5%	R. H. Huston - 48.4376% R. H. Huston, Jr. Southern Minerals Corp. - 26.5624% Southern Minerals Corp. - 5.0000% Sparks Healey Co. - 6.6664% Graridge Corp. - 13.3336%	None	Gulf Oil Corp. - 100%	0.11350
58	T-19-S, R-37-E Sec. 21: NE/4 SE/4	40	11-16-28	F. L. Luckel	12.5%	Southern Minerals Corp. - 20.0000% Sparks Healey Co. - 5.0000% Elyse Saunders Patterson - 1.0416% Sue Saunders Graham - 1.0416%	None	Gulf Oil Corp. - 100%	0.33928

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58 (Continued)									
59	T-19-S, R-37-E 40 Sec. 21: SE/4 SE/4	40	11-12-53	Schermerhorn Oil Corp., Kenwood Oil Co., and J. Hiram Moore	12.5%	Sally Saunders - 1.0416% Toles C. G. Staley - 2.0832% Harry M. Walker - 4.1672% Herman R. Crile - 1.5624% J. B. Headley - 1.5624% E. Grace Huston - 12.5000% R. H. Huston - 50.0000%	None	Schermerhorn Oil Corp. - 37.5% Kenwood Oil Co. - 37.5% J. Hiram Moore - 25.0%	1.03360
60	T-19-S, R-37-E 120 Sec. 27: SW/4 NW/4 Sec. 28: E/2 NE/4	120	9-10-42	Aztec Oil & Gas Co.	12.5%	Samuel T. Burk and Josie M. Burk - 100%	Cities Service Pet. Co. - 5.46875% on oil and casinghead gas and 2.734375% on all other gas	Aztec Oil & Gas Co. - 100%	2.12081
61	T-19-S, R-37-E 40 Sec. 34: NE/4 NW/4	40	5-12-26	Sinclair Oil & Gas Co.	12.5%	Paul D. Anderson - 0.3472% P. V. Anderson - 0.3472% Frank Bateman - 1.5000% A. L. Childers - 2.3611% Julia Cleo Culp - 9.3750% J. H. Elder - 4.7500% L. R. Forrester - 0.1806% R. B. Lambert - 1.3889%	None	Sinclair Oil & Gas Co. - 100%	0.59318

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
61 (continued)									
						C. E. Oberholtzer - 2.7780%			
						Mrs. W.H. Patten - 11.1111%			
						Ralph L. Royster - 0.6944%			
						Tommie Schmidt - 5.7639%			
						A. R. Schwerdtfeger - 9.9306%			
						Marie J. Self - 0.6944%			
						Martin Hughes Estate - 0.8333%			
						F. W. Covault Estate - 0.6944%			
						Evelyn K. Meier, Admx. of the Estate of Geo. Meier, Deceased - 2.0833%			
						H. A. Taylor - 6.6667%			
						Henry H. Taylor - 14.4097%			
						J. L. Taylor and E. Taylor-Jonnie S. Taylor - 1.2413%			
						J. S. Taylor, R. R. Taylor, Gdn. of			
						R. R. Taylor, a Minor - 3.7239%			
						J. J. Whitsitt - 0.6944%			
						Mae Williams - 9.9306%			
						Florence Woods - 7.1111%			
62	T-20-S, R-37-E 80.1 Sec. 1: Lot 2 and SW/4 NE/4	4-19-54		Schermerhorn Oil Corp. and Kenwood Oil Co.	12.5%	Mrs. Bert Ellen Weir - 50% Camp Clarabel Weir - 50% Tanner - 50%	None	Schermerhorn Oil Corp. and Kenwood Oil Co. - 50% - 50%	1.04210

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
63	T-20-S, R-37-E Sec. 11: NE/4 NE/4	40	3-3-43 3-30-43 3-27-52 4-27-53 4-27-53 8-28-50	Texaco Inc. Texaco Inc. Texaco Inc. Texaco Inc. Texaco Inc. Cities Service Oil Co.	12.5% 12.5% 12.5% 25.0% 25.0% 12.5%	C. H. Weir and Theo Weir - 6.25000% J. E. Vaeth and Anna L. Vaeth - 1.56250% Virgil Llam and Thelma A. Llam - 3.12500% New Mexico Bank & Trust Co., Trustee of Carlin Trust - 1.56250% New Mexico Bank & Trust Co., Trustee of Klein Trust - 1.56250% The Atlantic Refg. Co. and Chase Manhattan Bank - 23.43750% Boyce Rush Davis and Willard L. Davis - 0.78125% Ruth R. Weaver and Donald C. Weaver - 0.78125% Lula Rush Blair and L. L. Blair - 1.56250% W. W. Lechner and Ruth H. Lechner - 3.12500%	None	Texaco Inc. - 50% The Fluor Corp. - 25% Cities Service Oil Co. - 25%	0.30389

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE ACRES	SERIAL NO. AND/OR DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDING ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICIPATION
63 (Continued)									
						R. E. Hubbard, R. E. Hubbard, Jr., and Morgan R. Hubbard, Trustees of Est. of G. E. Hubbard, Deceased- Ray Hubbard and Janet R. Hubbard - Sparks Healey Co. - Southern Minerals Corp. - Grardige Corp. - The Fluor Corp.			
						3.12500%			
						3.12500%			
						5.00000%			
						13.33330%			
						6.66670%			
						25.00000%			
64	T-20-S, R-37-E 80 Sec. 12: SW/4 NE/4 and SE/4 NW/4	2-26-43 3-1-43		Texaco Inc. Texaco Inc.	12.5% 12.5%	C. H. Weir - Theo Weir - Thelma A. Linam - New Mexico Bank & Trust Co., Trustee of Carlin Trust - New Mexico Bank & Trust Co., Trustee of Klein Trust - W. A. Yeager and J. M. Armstrong-	None	Texaco Inc. The Fluor Corp.	- 75% 1.82386 - 25%
						10.4167%			
						8.3333%			
						3.1250%			
						1.5625%			
						1.5625%			
						6.2500%			

*All leases are held by production

TRACT NO.	DESCRIPTION	NUMBER SURFACE AND/OR ACRES	SERIAL NO. OF DATE OF LEASE*	LESSEE OF RECORD	BASIC ROYALTY	ROYALTY OWNERS AND AMOUNT	OVERRIDE ROYALTY OWNERS AND AMOUNT	WORKING INTEREST OWNERS AND AMOUNT	PERCENT TRACT PARTICI-PATION
64 (Continued)									
						Mabee Royalties, Inc. - 18.7500%			
						E. M. Johnson - 6.2500%			
						Lois Birge - 3.1250%			
						L. W. Johnson - 3.1250%			
						J. O. Compton - 6.2500%			
						L. O. Wise - 6.2500%			
						The Fluor Corp. - 25.0000%			
14 Fee Tracts 965.57 Acres or 17.45% of Unit Area									

RECAPITULATION - EAST EDMONT UNIT AREA:

3 Federal Tracts	285.21 acres	5.15%
47 State Tracts	4,284.28 acres	77.40%
14 Fee Tracts	965.57 acres	17.45%
	5,535.06 acres	100.00%

*All leases are held by production

EXHIBIT "B" - PART II

RECAPITULATION - UNIT PARTICIPATION

EAST EUMONT UNIT - LEA COUNTY, NEW MEXICO

<u>WORKING INTEREST OWNERS</u>	<u>PERCENT UNIT PARTICIPATION IN UNIT AREA</u>
Amerada Petroleum Corporation-----	3.72152
Morris R. Antweil-----	0.55728
The Atlantic Refining Company-----	1.59963
Aztec Oil and Gas Company-----	11.69772
California Oil Company-----	4.41532
Cities Service Oil Company-----	0.33417
Gordon M. Cone and Lovington Abstract Company*-----	1.02288
J. U. Cone, Trustee of Cone Trusts and Lovington Abstract Company*-----	0.41545
Continental Oil Company-----	12.44715
Bert Fields-----	0.37151
First Hutchings-Sealy National Bank of Galveston, Trustee of Frances B. Moore-----	0.03975
First Hutchings-Sealy National Bank of Galveston, Agent for: John Knox Hutchings Moore-----	0.00845
First National Bank of Roswell, Guardian of Donald Bartlett Moore, a Minor-----	0.00845
The Fluor Corporation-----	1.58446
Gulf Oil Corporation-----	10.52382
M. W. Staples and T. A. Hester, Trustees for the Martha Lou Hester, Trust-----	0.48289
Hester Oil Company-----	0.46543
T. A. Hester, Inc.-----	0.46543
William A. Hudson and Edward R. Hudson-----	0.93862
Humble Oil & Refining Company-----	11.63775
Jennings Drilling Company-----	0.55728
Kenwood Oil Company-----	1.62779
Mardy's Oil Company-----	0.55853
Marjalu Oil Company-----	0.29671
Anita G. Moore, Independent Executrix of Will of Charles H. Moore, Deceased-----	0.02518
B. D. Moore, Jr. and Eleanor Moore-----	0.02518
Carol Pauls Moore-----	0.00828
David W. Moore and Mary Lea Moore-----	0.02518
J. Hiram Moore-----	0.25840
Pan American Petroleum Corporation-----	0.50863
Schermerhorn Oil Corporation-----	1.62781
Shell Oil Company-----	2.33494
Frances Moore Shelton and Kenneth Shelton-----	0.02518
R. H. Siegfried, Inc.-----	1.04723
Sinclair Oil & Gas Company-----	5.72166
Staples Oil & Gas Company-----	0.55853
Texaco Inc.-----	6.80383
Tidewater Oil Company-----	14.47237
Water Flood Associates, Inc.-----	0.77961
	100.00000

*As to these interests Lovington Abstract Company owns the gas rights and Gordon M. Cone and J. U. Cone, Trustee of the Cone Trusts, respectively, own the oil rights.

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

APPROVED AS TO
Terms WLS
Acctg. WLS
Form WLS

Secretary

Date: _____

By: J. M. Ashley

Date: _____

Attorney-in-Fact
Texaco Inc.

Date: _____

STATE OF Texas

COUNTY OF Midland.

The foregoing instrument was acknowledged before me this 27th day of April, 1965, by J. H. Markley of Texas Inc., a corporation, on behalf of said corporation.

My Commission Expires:

Maxine McCormick MAXINE McCORMICK
Notary Public

June, 1965

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA
Notary Public FILED

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

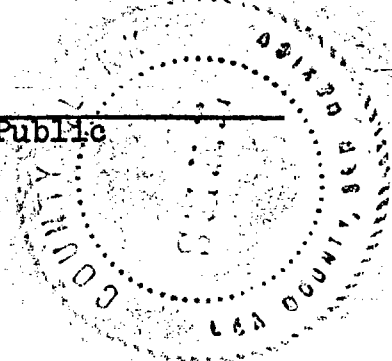
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____.

My Commission Expires:

Notary Public

APR 30 1965
at 11:30 M
and Recorded in Book 233
Page 401
JANE KICE, County Clerk
By [Signature] Deputy



WI 71 2, 3
RI 71 63

28583

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

THE ATLANTIC REFINING COMPANY

Secretary

Date: _____

By: Boone Maranley
Attorney-in-Fact

WPT

Date: _____

Date: _____

STATE OF NEW MEXICO,
COUNTY OF CHAVES.

The foregoing instrument was acknowledged before me this 18th
day of November, 1964, by Boone Macaulay
Attorney-in-Fact of The Atlantic Refining Company, a
Pennsylvania corporation, on behalf of said corporation.

My Commission Expires:
May 28, 1968

Clara Caldwell
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____
Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public
JANE RICE, County Clerk
By Deputy

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 230

28583

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

Assistant Secretary

Date: September 27, 1965

Date: _____

Date: _____

THE ATLANTIC REFINING COMPANY

By: Boon M. [Signature]
Assistant Vice President

As Trustee for J. M. Skanes

STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 27th day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

My Commission Expires: January 1, 1965
Holly Mae Hippett Notary Public
HOLLY MAE HIPPETT

STATE OF Lovington Abstract Co.
Lovington, New Mexico

COUNTY OF LEA

The foregoing instrument was acknowledged before me this day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA
My Commission Expires: May 3, 1965
Holly Mae Hippett Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA
My Commission Expires: May 3, 1965
Holly Mae Hippett Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA
My Commission Expires: May 3, 1965
Holly Mae Hippett Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA
My Commission Expires: May 3, 1965
Holly Mae Hippett Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA
My Commission Expires: May 3, 1965
Holly Mae Hippett Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this day of April, 1964, by Boone Macaulay, of The Atlantic Refining Company, a corporation, on behalf of said corporation.

W1 713
CR1 71 27, 28

29280

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

[Signature]
ASSISTANT Secretary

Date: _____

Date: _____

Date: _____

PAN AMERICAN PETROLEUM CORPORATION

By: *[Signature]*
ATTORNEY-IN-FACT

APPROVED
[Signature]

STATE OF Texas
COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this 8
day of February, 1964, by C. F. BEDFORD
of San Antonio Petroleum Corp., a
corporation, on behalf of said corporation.

Thora Prater THORA PRATER
Notary Public
My Commission Expires:
Lovington Abstract Co.
Lovington, New Mexico

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this
day of , 1964, by ,
of , a
corporation, on behalf of said corporation.

My Commission Expires: Notary Public

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this
day of , 1964, by

STATE OF NEW MEXICO
COUNTY OF LEA
FILED Notary Public
My Commission Expires:

FEB 17 1965
at 2:00 o'clock P M
and Recorded in Book 230
Page 484
JANE RICE County Clerk
By Deputy

The foregoing instrument was acknowledged before me this
day of , 1964, by

My Commission Expires: Notary Public
LEA COUNTY, NEW MEXICO

082637

31295

w/ 77.3

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

Date: _____

Assistant Secretary

Date: _____

Date: _____

PAN AMERICAN PETROLEUM CORPORATION,
Trustee for J. M. Skaggs

By: _____

Attorney in Fact

APPROVED

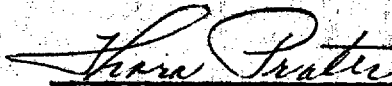
STATE OF TEXAS,

COUNTY OF TARRANT.

The foregoing instrument was acknowledged before me this 5
day of April, 1965, by C. F. BEDFORD
Attorney in Fact of PAN AMERICAN PETROLEUM CORPORATION, a
Delaware corporation, on behalf of said corporation.

 Lovington Abstract Co.
Lovington, New Mexico
My Commission Expires:

June 1, 1965

 THORA PRATER
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

Notary Public

APR 12 1965

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Lessee of record under Tract No. 3 of the East Eumont Unit, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico." Said Unit Agreement has been executed as of the 1st day of September, 1964, by various persons and provides for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A," shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B," describes each Tract in the Unit Area.

The Unit Agreement provides that said agreement shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed.

Executed as of the 1st day of September, 1964.

CONTINENTAL OIL COMPANY

By *R. L. Adams*
Attorney in Fact

and

ATLANTIC REFINING COMPANY

By _____

ATTEST:

and

CALIFORNIA OIL COMPANY

By _____

ATTEST:

and

FIN AMERICAN PETROLEUM CORPORATION

ATTEST:

By _____

A. Trustees for J. M. SKAGGS

THE STATE OF Lea

COUNTY OF Lea

The foregoing instrument was acknowledged before me this
7-1 day of April, 1965, by _____
_____, ATTORNEY AT LAW, of CONTINENTAL OIL COMPANY,
a Delaware corporation, on behalf of said corporation and in the capacity
therein stated.

My Commission Expires:

THE STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this
____ day of _____, 1965, by _____
_____, of ATLANTIC REFINING
COMPANY, a _____ corporation, on behalf of said cor-
poration and in the capacity therein stated.

Notary Public

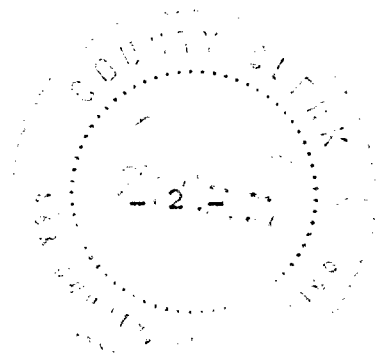
My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

MAY 5 1965

at 11:15 o'clock PM
and in Book 232
Page _____
County Clerk
Day

Corning Abstract Co.
Corning, New Mexico



28596

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST: 

Secretary
Date: January 15, 1965

By: R. L. Adams

ATTORNEY IN FACT

CONTINENTAL IOL COMPANY

Date: _____

Date: _____

STATE OF Texas
COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this 15th
day of January, 1965, by R. L. ADAMS
of CONTINENTAL OIL COMPANY
corporation, on behalf of said corporation.

My Commission Expires: 6/5

[Signature]
Notary Public
NOTARY PUBLIC IN AND FOR
TARRANT COUNTY, TEXAS

STATE OF _____
COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF _____
COUNTY OF _____

STATE OF NEW MEXICO
COUNTY OF LEA

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

FEB 3 1965

My Commission Expires: _____

11:50 o'clock AM
and Recorded in Book _____
Page 76 230
Notary Public
JANE RICE County Clerk
By [Signature]

31652

RATIFICATION

41 Tr 3

EAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

~~WITNESSES:~~

CALIFORNIA OIL COMPANY, INDIVIDUALLY AND AS TRUSTEE
FOR J. M. SKAGGS UNDER AND SUBJECT TO THE PROVISIONS
OF DRILLING & OPERATING AGREEMENT DATED FEBRUARY 23,
1927, BETWEEN J. M. SKAGGS AND THE MARIAND OIL
COMPANY, ITS SUCCESSORS AND ASSIGNS

By: J. W. Humphreys
Attorney-in-Fact

By: J. H. Min
Attorney-in-Fact

Date: _____

Date: _____

Date: _____

STATE OF TEXAS

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me this 5th
day of April, 1964, by L. W. FUNKHOUSER and H. L. SMITH,
Attorneys-in-Fact for CALIFORNIA OIL COMPANY, a
California corporation, on behalf of said corporation.

My Commission Expires:

BARBARA ROBERTSON

Notary Public in and for Harris County, Texas

My Commission Expires June 1, 1965

Lovington Abstract Co.
Lovington, New Mexico

Barbara Robertson
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

APR 20 1965

at 9:30 o'clock 9 A.M.
and Recorded in Book 233
Page 192
By SA

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

31652

28588

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

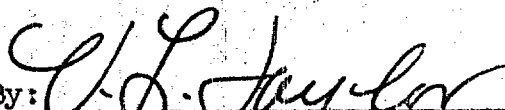
Executed as of the 1st day of September, 1964.

~~ARTICLE~~

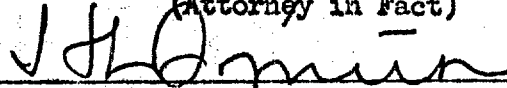
CALIFORNIA OIL COMPANY

~~DATE~~~~SECTORS~~

By:



(Attorney in Fact)

~~DATE~~


(Attorney in Fact)

Date:

P. O. Box 1249, Houston 1, Texas

28582

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: November 18, 1964

By: 

Alan J. Antweil,

Attorney-in-fact for Morris R. Antweil

MORRIS R. ANTWEIL

Date: _____

Date: _____

28604

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

~~ADDRESS~~

BERT FIELDS ESTATE

Date: November 30, 1964

By: H. T. Manning
H. T. Manning

Date: November 30, 1964

By: Bert Fields, Jr.
BERT FIELDS, JR.
Independent Executors

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS,

COUNTY OF DALLAS.

The foregoing instrument was acknowledged before me this 30TH day of November, 1964, by BERT FIELDS, JR., Independent Executor, under the Will of Bert Fields, Deceased.

My Commission Expires: _____

Notary Public

June 1, 1965

STATE OF TEXAS,

COUNTY OF DALLAS.

The foregoing instrument was acknowledged before me this 30th day of November, 1964, by LEA T. MANNING, Independent Executor under the Will of Bert Fields, Deceased.

My Commission Expires: _____

Notary Public

June 1, 1965

FEB 3 1965

11:50 AM
and recorded in Book 230
Page 92
JAMES MACE, County Clerk
By OR

Dovington Abstract Co.

28618

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: November 18, 1964

By: JENNINGS DRILLING COMPANY

Date: _____

By: 

Alan Antweil, Partner

Date: _____

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,
COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 18th
day of November, 1964, by Alan Antweil on behalf of Jennings
Drilling Company, a partnership.

My Commission Expires: _____

May 23, 1968

Roberta L. Summers new Law
Notary Public

STATE OF _____,
COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
FILED

FEB 3 1965

My Commission Expires: _____

at 11:50 o'clock PM
and Recd. of in Book 230
Page 120
JAN 5 1965 County Clerk
By [Signature] Deputy

Notary Public

31294

w/ Tr 6, 8, 9, 11, 16, 27, 28, 60

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST

AZTEC OIL & GAS COMPANY

Richard L. Ward
Secretary

By: Quibman J. Davis
Vice President

Date: _____

Date: _____

Date: _____

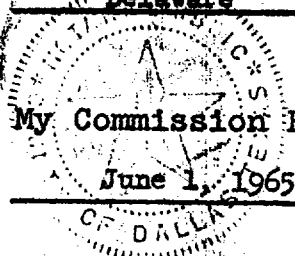
Date: _____

Date: _____

Date: _____

STATE OF TEXAS,
COUNTY OF DALLAS.

The foregoing instrument was acknowledged before me this 12th
day of January, 1965, by Guilman B. Davis
Vice President of AZTEC OIL & GAS COMPANY, a
Delaware corporation, on behalf of said corporation.



Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires:

Shirley J. Carroll
Notary Public

SHIRLEY J. GARROLL
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1965

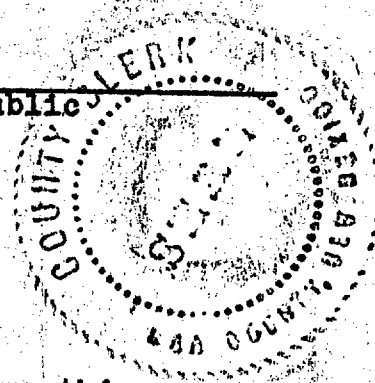
STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

Notary Public



APR 12 1965

STATE OF _____,
COUNTY OF _____.

at 8:05 o'clock A. M.
and Recorded in Book 233
Page 7
JAMES RICE, County Clerk
By [Signature] Deputy

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

RATIFICATION

28610

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST

GULF OIL CORPORATION

Law	WOK
Serv.	STAR
Exp.	
Prod.	MES

Date:

Assistant Secretary
January 20, 1965

By:

Attorney in Fact

Date:

Date:

STATE OF NEW MEXICO,
COUNTY OF CHAVES.

The foregoing instrument was acknowledged before me this 20th
day of January, 1964, by W. B. HOPKINS
Attorney in Fact of GULF OIL CORPORATION, a
Pennsylvania corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires August 15, 1966

Eva Marie Cooper
Notary Public

STATE OF _____,
COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,
COUNTY OF _____.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 230
Page 104

My Commission Expires:

JANE RICE County Notary Public
By [Signature] Deputy

Oct 27, 19, 25, 30, 49

31299

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

HUMBLE OIL & REFINING COMPANY

Secretary

Date: _____

Date: _____

Date: _____

By: C. M. Carothers

Agent and Attorney in Fact

APPROVED	
Desc.	<u>11/8/64</u>
Acres	<u>11/8/64</u>
Int.	<u>11/8/64</u>
Form	<u>11/8/64</u>
Grants	<u>11/8/64</u>

STATE OF TEXAS,

COUNTY OF MIDLAND.

The foregoing instrument was acknowledged before me this 2nd
day of April, 1964 by C. M. Carothers,
Agent and Attorney-in-Fact of Humble Oil & Refining Company, a
Delaware corporation, on behalf of said corporation.

My Commission Expires:

6/1/65

Lovington Abstract Co.
Lovington, New Mexico

Notary Public

JACQUELINE L. DOZIER - Notary Public
MIDLAND COUNTY, TEXAS

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires:

Notary Public

APR 12 1965

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

at 8:05 o'clock A. M.
and Recorded in Book 233
Page 17
JANE RICE, County Clerk
By [Signature] Deputy

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

29283

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

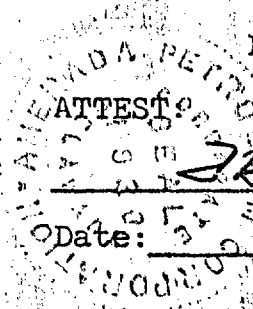
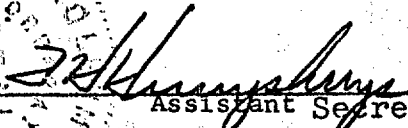
Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

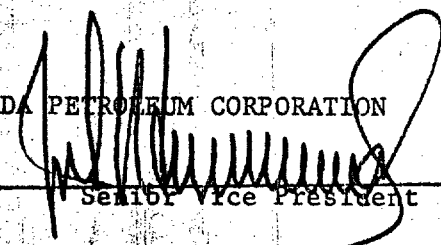
The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST


Assistant Secretary
Date: _____
Date: _____
Date: _____

AMERADA PETROLEUM CORPORATION
By: 
Senior Vice President

STATE OF OKLAHOMA,

COUNTY OF TULSA.

The foregoing instrument was acknowledged before me this 3rd
day of February, 1964/5 by John P. Hammond
Senior Vice President of AMERADA PETROLEUM CORPORATION
Delaware corporation, on behalf of said corporation.

My Commission Expires: _____
My Commission Expires February 8, 1969 Lovington Abstract Co.
Lovington, New Mexico

Jo Leonard
Notary Public



STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____ Notary Public

FEB 17 1965

at 2:00 o'clock P
and Recorded in Book 230
Page 490
JANE RICE County Clerk
By [Signature] Deputy

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____ Notary Public



29283

28655

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964, in accordance with the stipulation shown on the reverse side hereof.

ATTEST:

Jane W. Redding

Secretary

Date: Dec. 8, 1964

WATER FLOOD ASSOCIATES, INC.

By: *Arthur W. Brown*
President

Date: Dec. 9, 1964

M. W. Staples
(M. W. Staples) TRUSTEE

Date: Dec. 9, 1964

Talmage A. Hester
(Talmage A. Hester) TRUSTEE

28642

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Sinclair Oil & Gas Company represents that it has heretofore secured consent to its execution of this agreement from the Owners of Production Payment under the terms and provisions of the Indenture of Conveyance of Leasehold, Mineral and Other Interests and Retention of Production Payment dated November 1, 1956 between Southern Production Company, Inc. and Sinclair Oil & Gas Company, as amended, modified and supplemented, and of the Holder of the Notes and of the Trustee under the provisions of a Mortgage dated November 1, 1956 between Mon-Dak Oil Corporation, et al. and John A. Pell, Trustee, as amended, modified and supplemented.

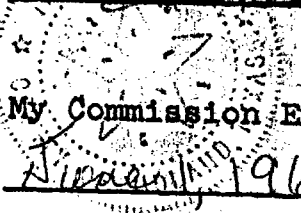
Executed as of the 1st day of September, 1964.

SINCLAIR OIL & GAS COMPANY

ATTEST:

STATE OF TEXAS
COUNTY OF Midland

The foregoing instrument was acknowledged before me this 23rd
day of December, 1964, by R.M. Kaldish
Vice President of Sinclair Oil & Gas Company, a
Corporation corporation, on behalf of said corporation.



My Commission Expires:
January, 1965

Ellen Miller ELLEN MILLER
Notary Public

STATE OF _____
COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

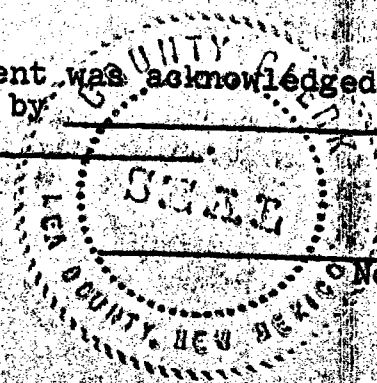
Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____



Notary Public
FEB 3 1965
11:50 AM
Page 168 Recorder in Book 270
JANE RICE County Clerk
By [Signature] Deputy

28642

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Sinclair Oil & Gas Company represents that it has heretofore secured consent to its execution of this agreement from the Owners of Production Payment under the terms and provisions of the Indenture of Conveyance of Leasehold, Mineral and Other Interests and Retention of Production Payment dated November 1, 1956 between Southern Production Company, Inc. and Sinclair Oil & Gas Company, as amended, modified and supplemented, and of the Holder of the Notes and of the Trustee under the provisions of a Mortgage dated November 1, 1956 between Mon-Dak Oil Corporation, et al. and John A. Pell, Trustee, as amended, modified and supplemented.

Executed as of the 1st day of September, 1964.

ATTEST

SINCLAIR OIL & GAS COMPANY

Assistant Secretary

By Ron Kordish
Vice President

Date: _____

DEC 23 1964

APPROVED	AMH
FOR SUBSTANCE	RLC
FORM	17

STATE OF TEXAS
COUNTY OF Midland

The foregoing instrument was acknowledged before me this 23rd
day of December, 1964, by R.M. Kaddish
Vice President of Sinclair Oil & Gas Company, a
corporation, on behalf of said corporation.

My Commission Expires:
December, 1965

Ellen Miller ELLEN MILLER
Notary Public

STATE OF _____
COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

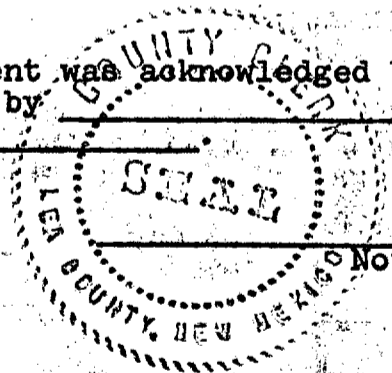
My Commission Expires: _____ Notary Public

STATE OF _____
COUNTY OF _____

STATE OF NEW MEXICO
COUNTY OF LEA
~~FILED~~

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____ Notary Public



FEB 3 1965
at 11:50 A M
Recorded in Book 230
Page 168
JANE RICE, County Clerk
By [Signature] Deputy

28642

DEC 8 1964

RATIFICATION

28638

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

~~ATTEST:~~

SHELL OIL COMPANY

Secretary

Date: _____

Date: _____

Date: _____

By: J. Lindsey
ATTORNEY IN FACT

STATE OF TEXAS,

COUNTY OF MIDLAND.

The foregoing instrument was acknowledged before me this 17
day of December, 1964, by J. V. Lindsey, Attorney - in - fact,
of Shell Oil Company, a
Delaware corporation, on behalf of said corporation.

My Commission Expires:
June 1, 1965

Rosalyn Magee

Notary Public Rosalyn Magee
Notary Public in and for
Midland County, Texas

STATE OF _____,

Lovington Abstract Co.
Lovington, New Mexico

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock 7 M
and Recorded in Book 230
By JANE RICE County Clerk
By [Signature] Deputy

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B" describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

X. E. [Signature]
Assistant Cashier ~~Secretary~~
Date: _____

THE FIRST NATIONAL BANK OF ROSWELL,
ANCILLARY GUARDIAN OF THE NEW MEXICO
PROPERTIES OF DONALD BARTLETT MOORE

By: [Signature]
Vice President and Trust Officer

Date: _____

Date: _____

STATE OF NEW MEXICO

COUNTY OF CHAVES.

The foregoing instrument was acknowledged before me this 17th
day of May, 1964, by William J. Williamson,
VICE PRESIDENT & Trust Officer of The First National Bank of Roswell, a
national banking corporation, on behalf of said corporation, as Guardian
of the Estate of Donald Bartlett Moore, a Minor.

My Commission Expires:

May 14, 1966

Paul W. Eaton, Jr.
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

28605

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

Date:

1964.9.1

TRUST OFFICER, Secretary

First Hutchings-Sealy National Bank
of Galveston, Trustee for Frances
B. Moore

By:

James Starvation
Vice President & Trust Officer

Date:

Date:

STATE OF TEXAS,
COUNTY OF GALVESTON.

The foregoing instrument was acknowledged before me this 27th
day of November, 1964, by ERNEST STAKENHAGEN
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

June 1 - 1965

Jo Van Benthuyzen
Notary Public
JO VAN BENTHUYSEN
Notary Public in and for Galveston County, Texas

STATE OF _____,
COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

June 1 - 1965

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

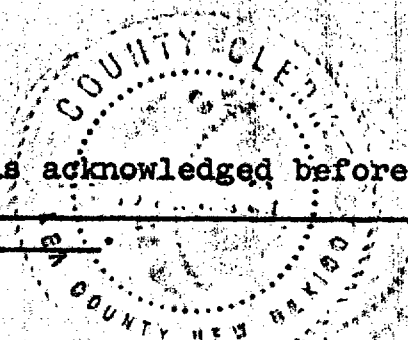
June 1 - 1965

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:



STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock 17 M
and Recorded in Book 230
JANE PRICE, County Clerk
By [Signature] Deputy

28605

W1 TR 71

RATIFICATION

28606

EAST EUMONT UNIT

Lea County, New Mexico

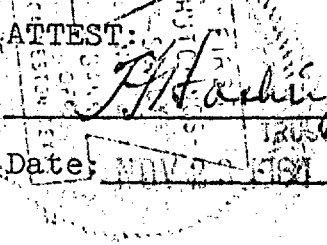
Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

[Signature]
Trust Officer Secretary
Date: NOV 23 1964

First Hutchings-Sealy National Bank
of Galveston, Agent for John Knox
Hutchings Moore
By: [Signature]
Vice President & Trust Officer

Date: _____

Date: _____

STATE OF TEXAS,

COUNTY OF GALVESTON.

The foregoing instrument was acknowledged before me this 27th
day of November, 1964, by ERNEST STANLEY HAGEN
of First Metropolitan Savings National Bank, a
corporation, on behalf of said corporation.

My Commission Expires:

June 1st 1965

Jo Van Benthuyzen
Notary Public

JO VAN BENTHUYSEN
Notary Public in and for Galveston County, Texas

STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires:

Notary Public

FEB 3 1965

11:50 AM
and Recorded in Book 230
Page 96
JAMES RICE, County Clerk

28606

28614

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: 12-16-64

By: 

WILLIAM A. HUDSON

Date: _____

Date: 12-16-64


EDWARD R. HUDSON

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS _____,

COUNTY OF TARRANT _____.

The foregoing instrument was acknowledged before me this 16th day of December, 1964, by WILLIAM A. HUDSON

My Commission Expires: _____

June 1, 1965

Notary Public

STATE OF TEXAS _____,

COUNTY OF TARRANT _____.

STATE OF NEW MEXICO
The foregoing instrument was acknowledged before me this 16th day of December, 1964, by EDWARD R. HUDSON.

My Commission Expires: 11:50 A M

Notary Public

June 1, 1965

and Recorded in Book 230

Page 112

JAMES R. RICE, County Clerk

By _____ Deputy

Lovington Abstract Co.
New Mexico

28628

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 12-8-64

Date: 12-8-64

By: _____

B. D. Moore, Jr.
B. D. MOORE, JR.

Eleanor Moore
ELEANOR MOORE

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS,

COUNTY OF GALVESTON.

The foregoing instrument was acknowledged before me this 8 day of December, 1964, by B. D. MOORE, JR.

My Commission Expires: _____

Laura K. Kunk
Notary Public

STATE OF TEXAS,

COUNTY OF GALVESTON.

The foregoing instrument was acknowledged before me this 8 day of December, 1964, by ELEANOR MOORE, WIFE OF B. D. MOORE, JR.

My Commission Expires: _____

Laura K. Kunk
Notary Public

FEB 3 1965

11:50 A
230
By [Signature] Deputy
County Clerk
Lovington Abstract Co.
Lovington, New Mexico

28630

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 12-3-69

Date: _____

By: Carol Pauls Moore

Carol Pauls Moore
CAROL PAULS MOORE

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas,

COUNTY OF Harris.

The foregoing instrument was acknowledged before me this 3rd day of December, 1964, by CAROL PAULS MOORE, A SINGLE WOMAN.

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 3 1965

at 11:50 o'clock A M

and Recorded in Book 220

Page 144

JANE RICE County Clerk

By JR Deputy

28630

28629

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____

David W. Moore
DAVID W. MOORE

Date: _____

Mary Lee Moore
MARY LEE MOORE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA

FILED

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 230
Page 142
JANE RICE, County Clerk
By JR Deputy

STATE OF TEXAS

COUNTY OF GALVESTON

The foregoing instrument was acknowledged before me this _____ day of December, 1964, by DAVID W. MOORE

My Commission Expires: _____

June 1, 1965

STATE OF TEXAS

COUNTY OF GALVESTON

The foregoing instrument was acknowledged before me this _____ day of December, 1964, by MARY LEA MOORE, WIFE OF DAVID W. MOORE

My Commission Expires: _____

June 1, 1965

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

28639

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964,

ATTEST:

Secretary

Date: _____

Date: 12-9-64

Date: 12-9-64

By: _____

Frances Moore Shelton
FRANCES MOORE SHELTON
Kenneth R. Shelton
KENNETH SHELTON

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

STATE OF TEXAS _____,

COUNTY OF GALVESTON _____.

The foregoing instrument was acknowledged before me this _____ day of December, 1964, by FRANCES MOORE SHELTON, WIFE OF KENNETH SHELTON

at 11:50 o'clock PM
and Recorded in Book 230
Page 162
JANE RICE, County Clerk
By [Signature] Deputy

My Commission Expires: _____

Notary Public

STATE OF TEXAS _____,

COUNTY OF GALVESTON _____.

The foregoing instrument was acknowledged before me this _____ day of December, 1964, by KENNETH SHELTON

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

28592

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

Asst. Secretary

Date:

By:

CITIES SERVICE OIL COMPANY

Vice President

Date:

Date:

STATE OF Oklahoma,
COUNTY OF Washington.

The foregoing instrument was acknowledged before me this 21st
day of December, 1964, by Bergold McPherson
President of Delaware, a
corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires July 24, 1965

Engineer F. Lander
Notary Public

STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

STATE OF NEW MEXICO

COUNTY OF LEA

FILED

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

FEB 3 1965

11:50 o'clock A M

and Recorded in Book 230

My Commission Expires:

Notary Public

JANE RICE, County Clerk

By Deputy

28624

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Mary Stuebing
Secretary

Date: Nov. 20, 1964

Date: _____

Date: _____

LOVINGTON ABSTRACT COMPANY

By: Jordan M. Cane
President

STATE OF NEW MEXICO

COUNTY OF LEA

The foregoing instrument was acknowledged before me this 20th day of November, 1964, by Gordon M. Cone, President of Lovington, New Mexico corporation, on behalf of said corporation.

My Commission Expires:

September 4, 1965

STATE OF New Mexico

COUNTY OF Lea

The foregoing instrument was acknowledged before me this 20th day of November, 1964, by Gordon M. Cone, President of Lovington Abstract Company corporation, on behalf of said corporation.

My Commission Expires:

Sept. 4, 1965

STATE OF _____

COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

FEB 3 1965

at 11:50 A.M. Notary Public
and Recorded in Book 230
Page 132
JANE WAKE, County Clerk
By _____

28594

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 11-20-64

Date: 11-20-64

By: _____

Gordon M. Cone

GORDON M. CONE

Kathleen Cone

KATHLEEN CONE, wife of Gordon M. Cone

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 20th day of November, 1964, by GORDON M. CONE and Kathleen Cone, his wife.

My Commission Expires: _____

James D. Winkler
Notary Public

September 4, 1965

STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

11:50 o'clock A M
and Recorded in Book 230
Page 22
JANE RICE, County Clerk
By OR Deputy

28622

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

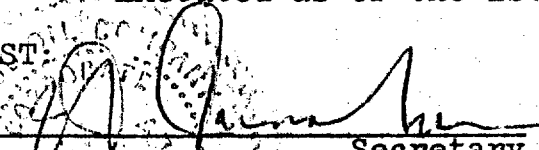
The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:


Secretary


Date: November 20, 1964

Date:

Date:

KENWOOD OIL COMPANY

By:


President

STATE OF OKLAHOMA, ss
COUNTY OF TULSA.

REVIEW The foregoing instrument was acknowledged before me this 20th
day of November, 1964, by H. A. Sherman
President of Tulsa, Oklahoma, a
Minnesota corporation, on behalf of said corporation.

My Commission Expires: 1-31-65

Gervase M. Scott
Notary Public

STATE OF _____,
COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

STATE OF _____,
COUNTY OF _____.

STATE OF NEW MEXICO
COUNTY OF LEA
The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

FEB 3 1965
at 11:50 o'clock H Notary Public
and Recorded in Book 230
Page 128
JAMES RICE, County Clerk
By JR Deputy

28635

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Date: November 20, 1964

Secretary

Date:

Date:

SCHERMERHORN OIL CORPORATION

By:

President

STATE OF Oklahoma,

COUNTY OF Tulsa.

The foregoing instrument was acknowledged before me this 20th
day of November, 1964, by E. J. Schermerhorn,
President of Schermerhorn Oil Corporation, a
Delaware corporation, on behalf of said corporation.

My Commission Expires:

January 1, 1965

Genuine M. Scott
Notary Public

STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA

FILED

FEB 3 1965

at 11:50 clock A M

and Recorded in Book 230
Page 154 Notary Public

JANE RICE, County Clerk
By JR Deputy

28635

28595

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: 11-21-64

Date: _____

J. U. Cone
J. U. CONE, TRUSTEE FOR KENNETH CONE,
CLIFFORD CONE, DOUGLAS CONE, THOMAS
CONE AND CATHIE CONE TRUSTS

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS,

COUNTY OF LUEBOCK.

The foregoing instrument was acknowledged before me this 21 st day of NOVEMBER, 1964, by J. U. CONE, TRUSTEE FOR KENNETH CONE, CLIFFORD CONE, DOUGLAS CONE, THOMAS CONE & CATHIE CONE TRUSTS.

My Commission Expires: _____

Notary Public

DOROTHY S. BELL

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

FEB 3 1965

JAMES RICE

31301

W1- Tr 55, 56, 63, 64
R1 Tr 55, 56, 63, 64RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

Date Signed:

THE FLUOR CORPORATION, LTD.

By:

Chairman of the Board

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

By:

Vice President

PATRICK OIL COMPANY

By:

Vice President

Secretary

Cashier

Secretary

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

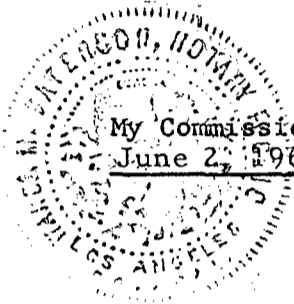


STATE OF CALIFORNIA X

COUNTY OF LOS ANGELES X

BEFORE ME, Wanda M. Paterson, a Notary Public in and for said County and State, on this day personally appeared J. S. Fluor, Chairman of the Board of THE FLUOR CORPORATION, LTD., a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that same was the act of said corporation and that he executed the same as the act of said corporation for the purposes and considerations therein expressed.

Given Under My Hand and Seal of Office, This 28th day of January, 1965.



Wanda M. Paterson
Wanda M. Paterson

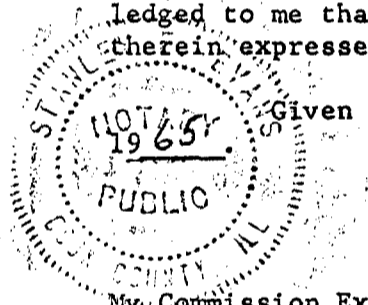
WANDA M. PATERSON
My Commission Expires June 2, 1967

STATE OF ILLINOIS X

COUNTY OF COOK X

STANLEY E. EVANS

BEFORE ME, _____, a Notary Public in and for said County and State, on this day personally appeared JOHN A. REDDING, known to me to be the person whose name is subscribed to the foregoing instrument and known to me to be the VICE PRESIDENT of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and as the act of said association.



Given under my hand and seal of office, this 11TH day of FEBRUARY.

Stanley E. Evans

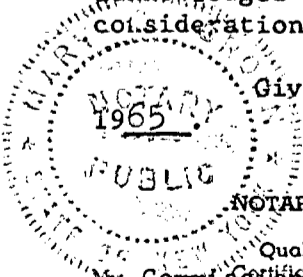
231 SOUTH LA SALLE STREET
CHICAGO, ILLINOIS

My Commission Expires:
MY COMMISSION EXPIRES MARCH 7, 1967

STATE OF NEW YORK X

COUNTY OF NEW YORK X

BEFORE ME, MARY G. BROWN, a Notary Public, on this day personally appeared F. L. Heyes, known to me to be the person whose name is subscribed to the foregoing instrument and known to me to be the Vice President of PATRICK OIL COMPANY, a Delaware Corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and as the act of said corporation.



Given under my hand and seal of office, this 1st day of March.

Mary G. Brown

MARY G. BROWN
NOTARY PUBLIC, State of New York
No. 43-5402005
Qualified in Richmond County
Certificate filed in New York County
Commission Expires March 30, 1966

STATE OF NEW MEXICO
COUNTY OF LEA
FILED



APR 12 1965
8:05 o'clock A.M.
and Recorded in Book 233
Page 21
JANE RICE, County Clerk
Dr. QX

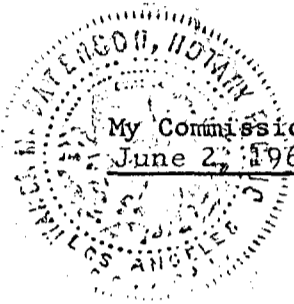
31301

STATE OF CALIFORNIA X

COUNTY OF LOS ANGELES X

BEFORE ME, Wanda M. Paterson, a Notary Public in and for said County and State, on this day personally appeared J. S. Fluor, Chairman of the Board of THE FLUOR CORPORATION, LTD., a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that same was the act of said corporation and that he executed the same as the act of said corporation for the purposes and considerations therein expressed.

Given Under My Hand and Seal of Office, This 28th day of January, 1965.



Wanda M. Paterson
Wanda M. Paterson

WANDA M. PATERSON
My Commission Expires June 2, 1967

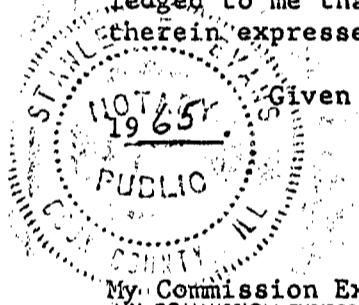
My Commission Expires:
June 2, 1967

STATE OF ILLINOIS X

COUNTY OF COOK X

STANLEY E. EVANS

BEFORE ME, _____, a Notary Public in and for said County and State, on this day personally appeared JOHN A. REDDING, known to me to be the person whose name is subscribed to the foregoing instrument and known to me to be the VICE PRESIDENT of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and as the act of said association.



Given under my hand and seal of office, this 11TH day of FEBRUARY.

Stanley E. Evans

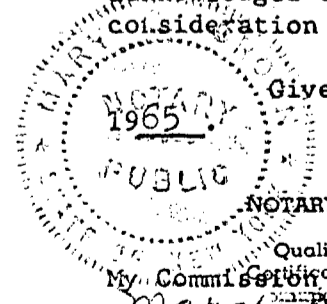
231 SOUTH LA SALLE STREET
CHICAGO, ILLINOIS

My Commission Expires:
MY COMMISSION EXPIRES MARCH 7, 1967

STATE OF NEW YORK X

COUNTY OF NEW YORK X

BEFORE ME, MARY G. BROWN, a Notary Public, on this day personally appeared F. L. Heyes, known to me to be the person whose name is subscribed to the foregoing instrument and known to me to be the Vice President of PATRICK OIL COMPANY, a Delaware Corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and as the act of said corporation.



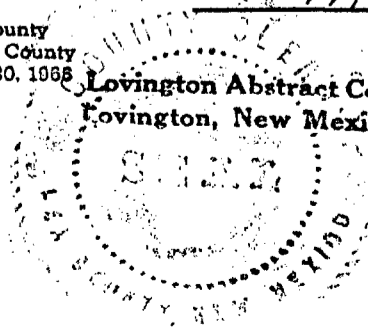
Given under my hand and seal of office, this 1st day of March.

Mary G. Brown

MARY G. BROWN
NOTARY PUBLIC, State of New York
No. 43-5402005
Qualified in Richmond County
My Commission Expires March 30, 1966

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

Lovington Abstract Co.
Lovington, New Mexico



APR 12 1965

8:05 o'clock A.M.
and Recorded in Book 233
Page 21
JANE RICE, County Clerk
By QR

31301

W1 TT 59
21 TT 51, 54

28584

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST

Date:

ASSISTANT CASHIER

Secretary

Without recourse or warranty expressed or implied, and as mortgagee or assignee
FOR COLLATERAL PURPOSES ONLY
BANK OF THE SOUTHWEST NATIONAL ASSOCIATION, HOUSTON

By:

VICE PRESIDENT

Date:

Date:

J. Hiram Moore

STATE OF TEXAS,
COUNTY OF Harris.

The foregoing instrument was acknowledged before me this 19th
day of January, 1964, by Herbert F. Poyner, Jr.,
Vice President of Bank of the Southwest National Association, Houston, a
national banking corporation, on behalf of said corporation.

My Commission Expires:

June 1, 1965

Bertha H. Andruess
Notary Public

BERTHA H. ANDRUES, NOTARY PUBLIC
IN & FOR HARRIS COUNTY, TEXAS

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF TEXAS,
COUNTY OF MIDLAND.

The foregoing instrument was acknowledged before me this 27th
day of January, 1964, by J. Hiram Moore

My Commission Expires:

June 1, 1965

Charlene James
Notary Public

STATE OF _____,
COUNTY OF _____.

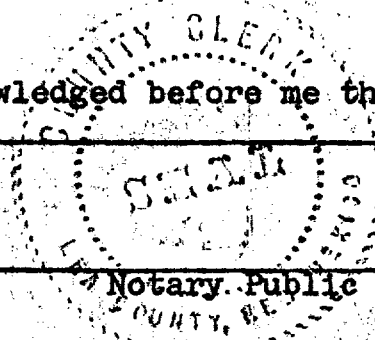
Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
COUNTY OF LEA
FILED

My Commission Expires:

FEB 3 1965

at 11:50 A M
and Received in Book 230
Page 52
JAMES H. JAMES, County Clerk
By OP



33936

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

Anita G. Moore

ANITA G. MOORE, INDEPENDENT
EXECUTRIX OF WILL OF CHARLES
H. MOORE, DECEASED

STATE OF Texas

COUNTY OF Harris

The foregoing instrument was acknowledged before me this 22nd
day of September, 1964, by Ante J. Mue
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Peggy J. Chisholm
Notary Public

PEGGY J. CHISHOLM
NOTARY PUBLIC IN AND FOR HARRIS COUNTY, TEXAS
MY COMMISSION EXPIRES JUNE 1, 1965

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by ANITA G. MOORE, INDEPENDENT EXECUTRIX
OF WILL OF CHARLES H. MOORE, DECEASED

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

JUN 17 1965

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

33936

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964,

ATTEST:

Secretary
Date: _____
Date: _____
Date: _____

By: Ralph L. Royster
Kellie M. Royster

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

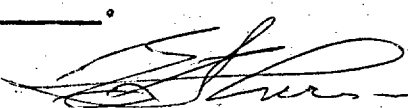
Notary Public

STATE OF Oklahoma,

COUNTY OF McClain.

The foregoing instrument was acknowledged before me this 28th
day of May, 1964, by Ralph L. Royster and Nellie M Royster

My Commission Expires: _____


Notary Public

Feb 3rd, 1966

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____
Date: _____
Date: _____

~~BY~~ ESTATE OF CHARLES HENRY WEIR,
AN INCOMPETENT
X BY: Jane Andrus
JANE ANDRUS, CO-GUARDIAN

COUNTY OF Chaves

My Commission Expires:

X Richard D. Long
Notary Public

May 21, 1966

STATE OF _____,

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

Notary Public

34312

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: *Evelyn G. Meier*
a widow

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS,

COUNTY OF HARRIS.

The foregoing instrument was acknowledged before me this 7th day of June, 1964, by Evelyn G. Meier

Livingston Abstract Co.
Livingston, New Mexico

My Commission Expires: STATE OF NEW MEXICO
COUNTY OF LEA
FILED

Notary Public

BETTY ESTES

Notary Public in and for Harris County, Texas

My Commission Expires June 1, 1967

STATE OF _____, JUN 24 1965

COUNTY OF _____ at 10:45 o'clock A. M.
and Recorded in Book 236

The foregoing instrument was acknowledged before me this _____ day of _____, 1965, by _____, Deputy

My Commission Expires: _____

Notary Public

34312

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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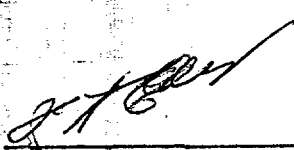
Executed as of the 1st day of September, 1964.

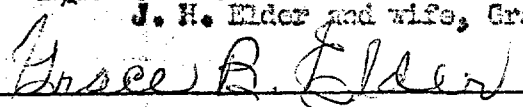
ATTEST:

Date: 6-9-65 Secretary

Date: 6-14-65

Date: _____

By: 
J. H. Elder and wife, Grace B. Elder



STATE OF TEXAS

COUNTY OF MIDLAND .

The foregoing instrument was acknowledged before me this 9
day of June, 1965 by J. H. Elder
of _____,
corporation, on behalf of said corporation. ²

My Commission Expires:

June 1, 1967

Melba Dickinson
Notary Public

in and for Midland County, Texas

STATE OF CALIFORNIA

COUNTY OF **FRESNO**

The foregoing instrument was acknowledged before me this 14th
day of June, 1965, by ~~XXXXXXXXXXXX~~ Grace B. Elder
~~of XXXXXXXXXXXX~~, a
~~corporation~~, on behalf of said corporation.

My Commission Expires:

Nov. 23, 1966

STATE OF _____,

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

Notary Public

STATE OF _____, at 10:45 o'clock 0
and Recorded in Book 23
COUNTY OF _____, Page 65
JANE RICE, County

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

Notary Public

OK - Tr. 1

28617

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

Anna Mae Jackson
ANNA MAE JACKSON

T. J. Jackson
T. J. JACKSON

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO,

COUNTY OF CHAVES.

The foregoing instrument was acknowledged before me this 13th day of January, 1964, by ANNA MAE JACKSON and T. J. Jackson her husband.

My Commission Expires: _____

Annette Veliva
Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me STATE OF NEW MEXICO day of _____, 1964, by _____ COUNTY OF LEA

My Commission Expires: _____

Notary Public

FEB 3 1965

11.50-
and R. ... 232
By OK

28617

28608

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 12-2-64

Date: _____

By: _____

Sue Saunders Graham

SUE SAUNDERS GRAHAM

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 2nd day of December, 1964, by SUE SAUNDERS GRAHAM

My Commission Expires: _____

12/7/67

Virginia L. Jones
Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Lovington Abstract Co.
Lovington, New Mexico

COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock AM
and Recorded in Book 230
JANE RICE County Clerk
By *[Signature]* Deputy

28603

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: November 17, 1964


OLEN F. FEATHERSTONE

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF NEW MEXICO,

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 17th day of November, 1964, by OLEN F. FEATHERSTONE

My Commission Expires: May 13, 1967 *Corrie W. Duerkel* Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 3 1965

11:50 AM
and Recorded in Book 230
JANE RICE County Clerk
By _____ Deputy

28603

28625

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: 12 - 9 - 64

Ralph Lowe
RALPH LOWE

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 9th day of December, 1964, by RALPH LOWE

My Commission Expires: _____

Lunelle S. Holmes
Notary Public

LUNELLE S. HOLMES - NOTARY PUBLIC
In and For Midland County, Texas
My Commission expires June 1, 1965

STATE OF _____

COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

FEB 3 1965
at 11:50 o'clock AM
and Recorded in Book 230
Page 134
JANE RICE, County Clerk
By *[Signature]* Deputy

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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The undersigned party, Socony Mobil Oil Company, Inc., is not and does not claim to be a Royalty Owner or Working Interest Owner, but executes this instrument solely as the "Lessee of Record" on the State of New Mexico records under State Lease No. E-2721 insofar as said lease covers SW/4 Sec. 15, T-19-S, R-37-E, Lea County, New Mexico.

Secretary

Date: May 12, 1965

By: Att. Massey
Attorney in Fact

Notary Public	CL
My Comm. Expires	12
Notary Seal	Rec

Date: _____

Date: _____

STATE OF Texas
COUNTY OF Midland

The foregoing instrument was acknowledged before me this 13th
day of May, 1965, 1965, by North Massey
Attorney at Law of North Massey Oil Company, Inc., a
corporation, on behalf of said corporation.

My Commission Expires:

January 1, 1965

Janet S. Gentry
Notary Public

JANET S. GENTRY, Notary Public
In and for Midland County, Texas

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,

My Commission Expires:

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,

My Commission Expires:

Notary Public

28627

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____

By: _____

Date: November 20, 1964

J. C. Maxwell
J. C. MAXWELL, (SEPARATE PROPERTY)

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this 20th day of November, 1964, by J. C. MAXWELL

My Commission Expires: _____

June 1, 1965

Anne L. Hinckley
Notary Public
ANNE L. HINCKLEY, Notary Public
In and for Tarrant County, Texas

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 3 1965

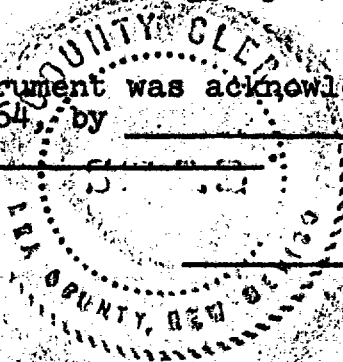
at 11:50 o'clock *AM*

and Recorded in Book *220*

Page *128*

JANE RICK County Clerk

By *[Signature]* Deputy



28627

28579

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

J. S. Alcorn
J. S. ALCORN

Dorothy Balfour Alcorn
DOROTHY BALFOUR ALCORN

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A.M.
and Recorded in Book 230
Page 42
JANE RICE, County Clerk
By [Signature] Deputy

STATE OF TEXAS,

COUNTY OF MIDLAND.

The foregoing instrument was acknowledged before me this 16th day of November, 1964, by J. S. ALCORN.

My Commission Expires: _____

6-1-65

Notary Public

STATE OF OKLAHOMA,

COUNTY OF GARFIELD.

The foregoing instrument was acknowledged before me this 15th day of November, 1964, by DOROTHY BALFOUR ALCORN.

My Commission Expires: _____

JAN 21 1966

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

28641

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

~~ATTN:XXX~~

Nancy Hayes
Witness Secretary
Date: December 20, 1964

Date: _____

Date: _____

Robert M. Siegfried
Robert M. Siegfried, Trustee
of the children born to Robert M.
Siegfried and Betty A. Siegfried

STATE OF OKLAHOMA

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF OKLAHOMA

COUNTY OF Tulsa

The foregoing instrument was acknowledged before me this 30th day of December, 1964, by Robert M. Siegfried, Trustee

My Commission Expires: _____

Bachman J. Pitts
Notary Public

My Commission Expires June 4, 1968

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

FEB 3 1965

and Recorded in Book 230
Page 166
JANE RICE, County Clerk
By DR Deputy

RATIFICATION

28640

EAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed,

Executed as of the 1st day of September, 1964.

ATTEST:

R. H. SIEGFRIED, INC.

Glenann Wilkerson, Asst. Secretary

By:

Charles M. Christensen
Charles M. Christensen
Vice President

Date: December 30, 1964

Date: _____

STATE OF OKLAHOMA

COUNTY OF Tulsa

The foregoing instrument was acknowledged before me this 30th
day of December, 1964, by Charles M. Christensen
Vice President of R. H. Siegfried, Inc., a
Delaware corporation, on behalf of said corporation.

My Commission Expires:

My Commission Expires June 4, 1968

Barbara J. Pitts
Notary Public

STATE OF _____

COUNTY OF _____

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 AM
Page 164
JANE RICE, County Clerk
By _____ Deputy

28640

28590

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Date: 11/17/64

Secretary

Date: _____

Date: _____

The Chase Manhattan Bank

By: RK Allen

Assistant Vice President

STATE OF New York,
COUNTY OF New York.

The foregoing instrument was acknowledged before me this 17
day of November, 1964, by R. R. Herr Assistant Vice President
of The Chase Manhattan Bank, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Imelda Cleannan
Notary Public

IMELDA CLENNAN
Notary Public, State of New York
No. 41-0661575
Qualified in Queens County
Certificate filed in New York County
Term Expires March 30, 1965

STATE OF _____,
COUNTY OF _____.

Devington Abstract Co.
Devington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

FEB 3 1965
FEB 3 1965

11:50 A
R. R. Herr
Pay 64
Is Book 230

28590

29284

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Assistant Cashier

Date: 12/28/64

Date: 12/28/64

Date:

NEW MEXICO BANK AND TRUST COMPANY
TRUSTEE

By:

TRUST OFFICER

THELMA A. LINAM

STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 28th
day of December, 1964, by G. L. Rogers
Trust Officer of New Mexico Bank and Trust Company, Trustee, a
corporation, on behalf of said corporation.

My Commission Expires:
January 23, 1965

Shirley M. Rogers
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 28th
day of December, 1964, by THELMA A. SINAN

Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires:
January 23, 1965

Shirley M. Rogers
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires: _____

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 17 1965

2:00 P

Notary Public

County Clerk

29281

RATIFICATION

CARLIN TRUST

EAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

NEW MEXICO BANK & TRUST COMPANY

Assistant Cashier

Secretary

Date: 2-5-65

By:

Trust Officer

Date: 2-5-65

Date:

STATE OF NEW MEXICO

COUNTY OF LEA

The foregoing instrument was acknowledged before me this 5th
day of February, 1964, by G. L. Rogers
Trust Officer of New Mexico Bank and Trust Company, Trustee, a
corporation, on behalf of said corporation.

My Commission Expires:

January 23, 1969

Shirley M. Cooper
Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF NEW MEXICO

COUNTY OF LEA

The foregoing instrument was acknowledged before me this 5th
day of February, 1964, by Bruce Alene Carlin.

My Commission Expires:

January 23, 1969

Shirley M. Cooper
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 17 1965

2:00 P M

and Recorded in Book 230

Page 496

JANE RICE County Clerk

By *[Signature]* Deputy

My Commission Expires:

Notary Public

29281

RATIFICATION

KLEIN TRUST

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

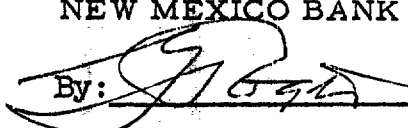

Assistant Cashier ~~XXXXXXXXXX~~

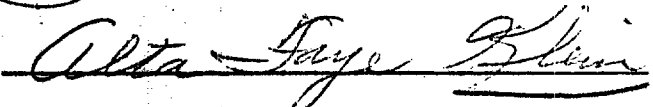
Date: 2-5-65

Date: 2-5-65

Date: _____

NEW MEXICO BANK & TRUST COMPANY

By:  Trust Officer



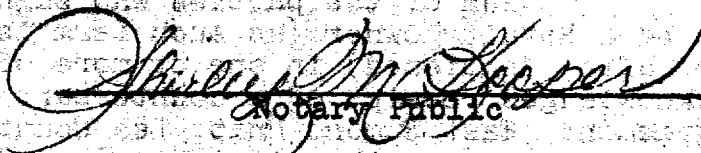
STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 5th
day of February, 1964, by G. L. Rogers
Trust Officer of New Mexico Bank and Trust Company, Trustee, a
corporation, on behalf of said corporation.

My Commission Expires:

January 23, 1968


Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

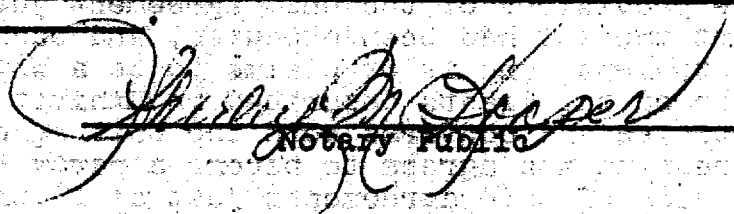
STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 5th
day of February, 1964, by Alta Faye Klein.

My Commission Expires:

January 23, 1969


Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

My Commission Expires:

Notary Public

28633

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____

Myrtle Pevehouse
MYRTLE PEVEHOUSE (Single)

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF LUBBOCK

The foregoing instrument was acknowledged before me this 24th day of November, 1964, by MYRTLE PEEHOUSE

My Commission Expires: _____

June 1, 1965

Lanita Zachry
Notary Public LANITA ZACHRY

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

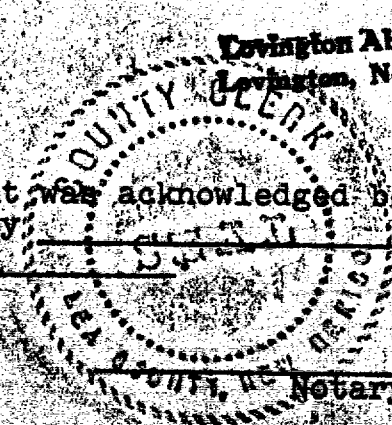
My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock PM
and Recorded in Book 230
Page 150
JANE HAY County Clerk
By JR Deputy



Leavitt Abstract Co.
Leavitt, New Mexico

28633

28599

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: A. N. ETZ

Date: 11-24-64

A. N. ETZ

Date: 11-24-64

Bessie R. Etz - wife

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,

COUNTY OF Chaves.

The foregoing instrument was acknowledged before me this 24th day of November, 1964, by A. N. Etz and Bonnie R. Etz, wife

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11.50 o'clock PM
and Recorded in Book 230
JANE HICE, County Clerk
By [Signature] Deputy

31651

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____

By: _____

Date: April 12, 1965

Lois R. Linam,
LOIS R. LINAM *Single*

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 12th day of April, 1965, by LOIS R. LINAM

My Commission Expires: _____

Legu Juan Peters
Notary Public

August 7, 1965

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

APR 20 1965
9:30 o'clock
and Recorded in Book 233
Page 190
JANE RICE, County Clerk
By EA Deputy

My Commission Expires: _____

Notary Public

31651

31650

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

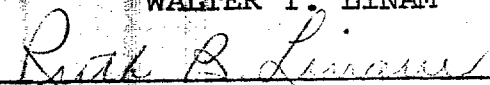
Date: _____

Date: 9-15-65

Date: 9-15-65

By: _____


WALTER T. LINAM


RUTH B. LINAM

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 15th day of April, 1965, by WALTER T. LINAM AND WIFE
RUTH B. LINAM.

My Commission Expires:

Lovington Abstract Co.
Lovington, New Mexico

January 9, 1969

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

STATE OF _____

COUNTY OF _____

APR 20 1965

The foregoing instrument was acknowledged before me 9:30s at 9 o'clock a.m. day of _____, 1964, by _____ and Recorded in Book 233

Page 188
JANE RICE, County Clerk
By SA Deputy

My Commission Expires: _____

Notary Public

28651

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

Ruth Vandagriff
RUTH VANDAGRIFF

T. E. Vandagriff
T. E. VANDAGRIFF

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF NEW MEXICO

COUNTY OF LEA

The foregoing instrument was acknowledged before me this 1st day of December, 1964, by RIVER VANDAGRIFF AND HUSBAND

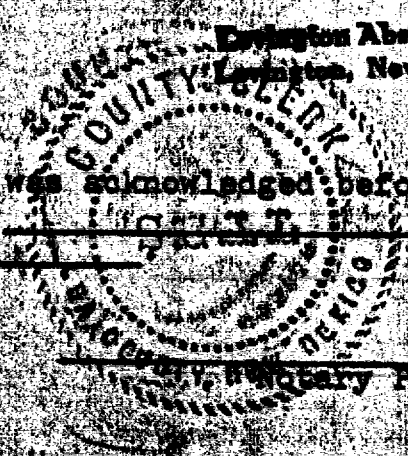
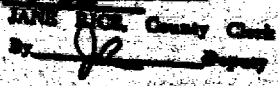
My Commission Expires: January 23, 1965  Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

 **Leighton Abstract Co.**
El Paso, New Mexico
STATE OF NEW MEXICO
COUNTY OF LEA
FILED
FEB 3 1965
11:54 a.m.
and Recorded in Book 230
JANE BICK, County Clerk
By 

28651

32197

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 11-16-64

Date: _____

By: _____

George Etz
GEORGE ETZ

Olivia W. Etz

8

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas,

COUNTY OF Lubbock.

The foregoing instrument was acknowledged before me this 23rd day of April, 1964, by Olivia W. ETZ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas,

COUNTY OF Lubbock.

The foregoing instrument was acknowledged before me this 11th day of April, 1964, by GEORGE ETZ

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

MAY 5 1965

at 11:15 o'clock A. M.
and Recorded in Book 233
Page 467
JAMES RICE, County Clerk

29286

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: Mrs. J. L. de Forest,
a widow

Date: _____

Date: _____

STATE OF Texas

COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this 1st
day of Feb., 1964, by Mrs. Nell DeForest

~~corporation, on behalf of said corporation.~~

My Commission Expires:

Mayme June
Notary Public

June 1, 1965

Lovington Abstract Co.
Lovington, New Mexico

STATE OF Texas

COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this
day of Feb., 1964, by Mrs. Nell DeForest

of
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF Texas

COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this
day of Feb., 1964, by Mrs. Nell DeForest

My Commission Expires:

Notary Public

STATE OF Texas

COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this
day of Feb., 1964, by Mrs. Nell DeForest

My Commission Expires:

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 17 1965

2.00
and Recorded in Book 230
Page 496

Notary Public

28602

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: September 1, 1964

Date: _____

By: _____

A. N. ETZ II

A. N. ETZ II, Separate
Property

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
_____ of _____, a
_____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Arizona

COUNTY OF Maricopa

The foregoing instrument was acknowledged before me this 1st
day of December, 1964, by A. N. ETZ, II

My Commission Expires: _____

My Commission Expires Jan. 5, 1967

Claretta L. Threlkeld
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

FEB 3. 1965

at 11:50 a.m. A
and Recorded in Book 230
Page 88
JAMES R. RICE, County Clerk
By OR Deputy

28601

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____



ROBERT W. ETZ

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF California

COUNTY OF Los Angeles

The foregoing instrument was acknowledged before me this _____ day of 30th of November, 1964, by ROBERT W. ETZ Single man

PAULYNE GOLDEN, Notary Public,
State of California - Principal Office, Los Angeles County

My Commission Expires Nov. 14, 1964

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 3 1965

11:50

JANE RICE, County Clerk

28607

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____

Alma Goodwin
ALMA GOODWIN a w Edaw

Date: 1-27-65

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 27th day of January, 1964, by ALMA GOODWIN

My Commission Expires: _____

W. Williams
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

JANE RICE County Clerk
By _____ Deputy

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock 11 M
and Recorded in Book 230

28607

28619

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: 1-27-65

By: _____

Aulena Jennings
AULENA JENNINGS, a widow

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 27 day of January, 1965, by AULENA JENNINGS

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires: _____

Notary Public

FEB 3 1966

11:50 a.m. A
and Recorded in Book 232
Page 122
JAN 11 1966 County Clerk

28619

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

R. H. Huston, Jr.

R. H. HUSTON, JR.
Separate Property

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this 22nd day of _____, 1964, by R. H. HUSTON, JR.

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

MAY 5 1965

at 11:15 o'clock A M
and Recorded in Book 233
Page 463
County Clerk

28616

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

By: _____

Date: _____

Date: _____

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

MY COMMISSION EXPIRES APRIL 28, 1967

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 23rd day of January, 1965 by M. H. HUSTON and LEONA S. HUSTON, his wife

My Commission Expires: _____

Notary Public

MY COMMISSION EXPIRES APRIL 28, 1967

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1965

My Commission Expires: _____

Notary Public

FEB 3 1965

and Recorded in Book 220
Page 116
JAMES RICE, County Clerk
By [Signature] Deputy



RATIFICATIONEAST EUMONT UNIT

28609

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

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Executed as of the 1st day of September, 1964.

ATTEST:

Date:

Assistant Secretary

Date:

Date:

GRARIDGE CORPORATION

By:

Senior VICE PRESIDENT

APPROVED
AS TO FORM

AS TO CONTENT

AS TO INTEREST

ADMINISTRATION

STATE OF Arizona,

COUNTY OF Maricopa.

The foregoing instrument was acknowledged before me this 29th
day of February, 1964, by C. H. Beaugas
President of Maricopa Corporation, a
corporation, on behalf of said corporation.

My Commission Expires:

June 1, 1965

Charles L. Sullivan
Notary Public

STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock PM,
and Recorded in Book 230

Page 102 Notary Public

JANE RICE, County Clerk
By S. J. [Signature] Deputy.

28643

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

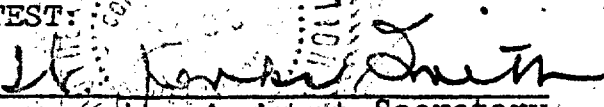
The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

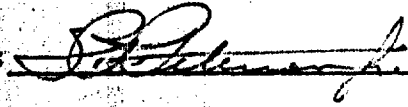
Executed as of the 1st day of September, 1964.

ATTEST:



Assistant Secretary
Date: November 16, 1964

SOUTHERN MINERALS CORPORATION

By: 

President

Date: _____

Date: _____

STATE OF TEXAS

COUNTY OF NUECES

The foregoing instrument was acknowledged before me this 16th day of November, 1964, by F. P. Peterson, Jr., President of SOUTHERN MINERALS CORPORATION, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

June 1, 1965

Christine Ragland
Notary Public in and for
Nueces County, Texas
(Christine Ragland)

STATE OF _____

COUNTY OF _____

**Lovington Abstract Co.
Lovington, New Mexico**

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a _____ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires:

Notary Public

STATE OF _____

COUNTY OF _____

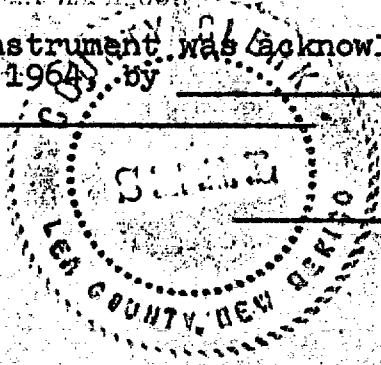
The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires:

Notary Public

11:50 o'clock A M
and Recorded in Book 220
Page 170
JANE RICE, County Clerk
By _____ Deputy



28643

28644

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

SPARKS HEALEY COMPANY, a Co-Partnership

Secretary

Date: _____

Date: _____

Date: _____

By: 
Otho O. Sparks, Attorney-in-Fact

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this 18th day of January, 1964, by Otho O. Sparks individually and as Attorney-in-Fact for Sparks Healey Company, 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 and in the capacity therein stated.

~~XX~~

My Commission Expires: _____

M. Goepfinger

Notary Public

M. Goepfinger

June 1, 1965

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 220
Page 172
JANE RICE County Clerk
u. OR Deputy

32194

RATIFICATION

28645

EAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 11-23-64

Date: _____

By: _____

C. G. STALEY
C. G. STALEY

Alice Mauda Staley

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA

My Commission Expires: _____

FILED

Notary Public

MAY 5 1965

STATE OF _____

COUNTY OF _____

at 11:15 o'clock 4 M
and Recorded in Book 233
Page 461
JANE RICE, County Clerk
By [Signature] Deputy

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Washington
COUNTY OF Pierce

The foregoing instrument was acknowledged before me this _____ day of November, 1964, by C. G. STALEY

My Commission Expires: _____

March 22 1967

STATE OF Wash
COUNTY OF Pierce

The foregoing instrument was acknowledged before me this _____ day of April, 1965, by Alice Mauda Staley

My Commission Expires: _____

March 22 1967

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA

FILED

FEB 3 1965

at 11:50 o'clock 4 M
and Recorded in Book 233
Page 124
JANE RICE, County Clerk
By [Signature] Deputy

28653

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: Jan. 20, 1965

Date: _____

William E. Walker
WILLIAM E. WALKER
716 4TH NATL BANK BLDG (TRACT #58)
WICHITA, KANSAS 67202 1.0418%

S.S. # 512-22-4242

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF KANSAS

COUNTY OF SEDGWICK

The foregoing instrument was acknowledged before me this 20th day of January, 1965, by WILLIAM E. WALKER

My Commission Expires: _____

March 24, 1965

Don E. Satterthwaite
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 230
Page 190
JANE RICE, County Clerk
By OR Deputy

28653

28652

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: Jan 20 1965

Date: _____

By: _____

IRENE E. WALKER
716 4TH NATL BANK BLDG. (TRACT #58)
WICHITA, KANSAS 67202 2.0836 %

S.S. # 510-42-0471

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF KANSAS

COUNTY OF SEDGWICK

NOTARY PUBLIC
The foregoing instrument was acknowledged before me this 20th day of January, 1965, by IRENE E. WALKER, "A SINGLE WOMAN"

My Commission Expires: _____

Notary Public

March 24, 1965

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock P.M.
and Recorded in Book 220
JANE RICE, County Clerk
By JR Deputy

28654

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: 9/26/65

Date: _____

Elaine M. Walker
ELAINE M. WALKER
1109 GRANADA
CASPER, WYOMING

(TRACT #53)
1.0483

S.S. # 520-52-0774

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Wyoming,

COUNTY OF Hotchkiss.

The foregoing instrument was acknowledged before me this 26th day of January, 1964, by Charles M. Walker.

My Commission Expires: _____

Notary Public

My Commission Expires July 28, 1968

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 AM
and Recorded in Book 233
Page 192
JANE RICE, County Clerk
By JR Deputy

32198

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 12-16-1964

Date: April 20 1965

By: _____

Herman R. Crile
HERMAN R. CRILE

Lucille W. Crile
LUCILLE W. CRILE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

STATE OF NEW MEXICO
COUNTY OF LEA

FILED

My Commission Expires: _____

Notary Public

MAY 5 1965

at 11:15 o'clock PM
and Recorded in Book 233

Page 469
JANE RICE, County Clerk
By JR Deputy

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Arizona

COUNTY OF Maricopa

The foregoing instrument was acknowledged before me this 16th day of December, 1964, by HERMAN R. CRILE

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF El Paso

The foregoing instrument was acknowledged before me this 20th day of January, 1964, by LUCILLE W. CRILE, WIFE of Herman R. Crile

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico

28615

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

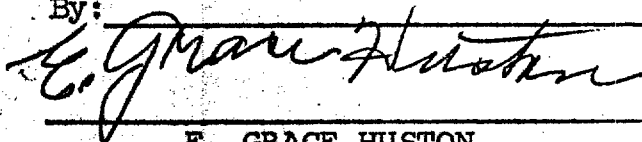
Secretary

Date: _____

Date: 11-19-64

Date: _____

By:



E. GRACE HUSTON

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, a
_____ of _____, on behalf of said corporation.

Notary Public

My Commission Expires: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, a
_____ of _____, on behalf of said corporation.

Notary Public

My Commission Expires: _____

STATE OF NEW MEXICO,
COUNTY OF LEA.

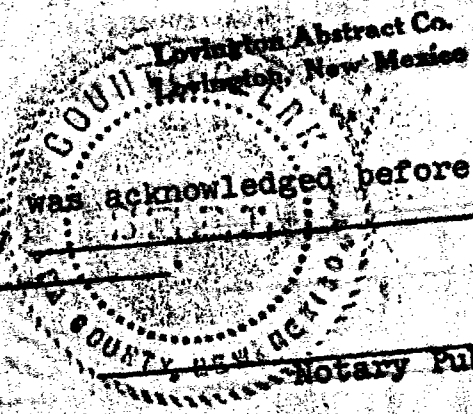
The foregoing instrument was acknowledged before me this 19th
day of November, 1964, by E. GRACE HUSTON, a single woman.

Lathia Johnson
Notary Public

My Commission Expires:
June 9, 1965

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, _____
COUNTY OF LEA
FILED



Notary Public

My Commission Expires: _____

FEB 3 1965

11:50
114
By _____ County Clerk
Deputy

28615

28632

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: 12-1-64

Elyse Saunders Patterson
ELYSE SAUNDERS PATTERSON
John Patterson

Date: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

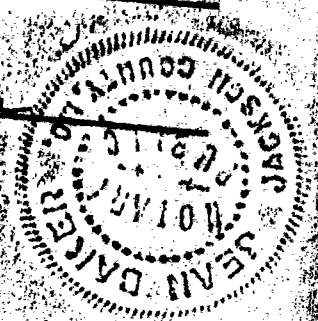
STATE OF Missouri
COUNTY OF Jackson

The foregoing instrument was acknowledged before me this 1st day of December, 1964, by and R. M. Patterson, Inc. ELYSE SAUNDERS PATTERSON

My Commission Expires: _____

4-20-68

Jean Baker
Notary Public

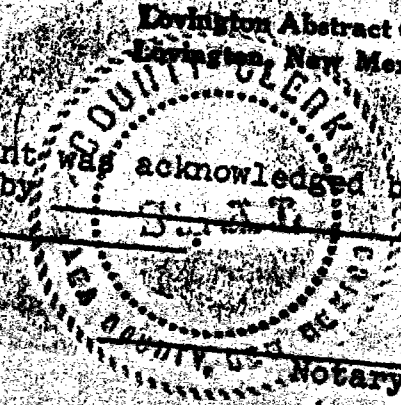


STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Evolution Abstract Co.
Evolution, New Mexico



STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

Notary Public

at 11:50 o'clock A M
and Recorded in Book 230
Page 148
JAMES RICE, County Clerk
By [Signature] Notary

28649

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 12-8-64

Date: _____

By: _____

Sally Saunders Toles

SALLY SAUNDERS TOLES

J. Penrod Toles

J. PENROD TOLES

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 8th day of Dec., 1964, by SALLY SAUNDERS TOLES AND J. PENROD TOLES,
HER HUSBAND.

My Commission Expires: _____

12/8/64

Virginia L. Jones

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico
STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 230
Page 182
JANE RICE, County Clerk
By JR Deputy

28587

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 11-25-64

Date: 11-25-64

By: _____

T. E. BURK

T. E. BURK

Natalie Burk

~~NATALIE BURK~~

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas

COUNTY OF Winkler

The foregoing instrument was acknowledged before me this 25th day of November, 1964, by T. E. BURK AND WIFE Natalie Burk

My Commission Expires: _____

H. L. Roberson
Notary Public
H. L. Roberson

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

11:50 A.M.
and it is in 230
Page 58
J.A. _____ County Clerk
By _____ Deputy

Lovington Abstract Co.
Lovington, New Mexico

COUNTY CLERK
522.31
Notary Public

FEB 3 1965

28587

28586

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: November 20, 1964

Date: November 20, 1964

By: _____

Samuel T. Burk
SAMUEL T. BURK

Josie M. Burk
JOSIE M. BURK

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, a
_____ of _____
corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, a
_____ of _____
corporation, on behalf of said corporation.

Notary Public

My Commission Expires:

STATE OF Texas
COUNTY OF Dallas

The foregoing instrument was acknowledged before me this 20th
day of December, 1964, by SAMUEL T. BARK AND WIFE
JOHN M. BARK

My Commission Expires:
June 1965

Lorraine L. Anderson
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

11:50 A

And Recorded in Book 23
Page 56
JANE RICE County Clerk
By [Signature] Deputy

My Commission Expires:

Notary Public
COUNTY OF LEA
NEW MEXICO

28580

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

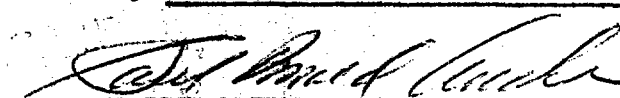
ATTEST:

Secretary

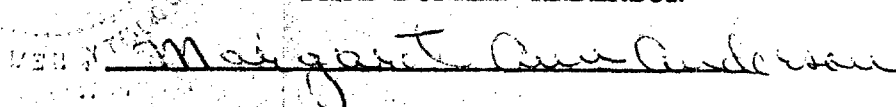
Date: _____

By: _____

Date: _____


PAUL DONALD ANDERSON

Date: _____


Margaret Ann Anderson

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas,

COUNTY OF Midland.

The foregoing instrument was acknowledged before me this 2nd day of December, 1964, by PAUL DONALD ANDERSON and Margaret Ann Anderson, his wife.

My Commission Expires: _____

Notary Public

June 1, 1965

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Lovington Abstract Co.
Lovington, New Mexico
STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A M

and Recorded in Book 230

JANE RICE, County Clerk
By [Signature] Deputy

28580

28581

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

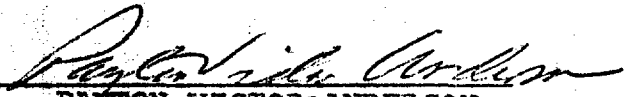
ATTEST:

Secretary

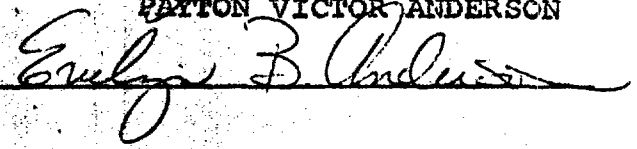
Date: _____

By: _____

Date: _____


RAYTON VICTOR ANDERSON

Date: _____



STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF Texas

COUNTY OF Midland

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by PAYTON VICTOR ANDERSON and Evelyn B. Anderson, his wife

My Commission Expires: _____ Notary Public

June 1, 1964 1965

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

Levington Abstract Co.
Levington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A
and Recorded in Book 230
Page 46
JANE RICE, County Clerk
By [Signature] Deputy

28581

31300

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____


JULIA CLEO CULP, a widow

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,

COUNTY OF Chaves.

The foregoing instrument was acknowledged before me this 25 day of November, 1964, by JULIA CLEO CULP.

My Commission Expires: _____

Notary Public

STATE OF _____,

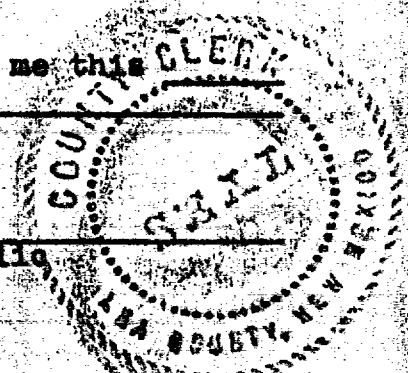
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

APR 12 1965
Lovington Abstract Co.
Lovington, New Mexico
FILED
19



31297

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

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Executed as of the 1st day of September, 1964.

ATTEST:

Date: April 2 - 65 Secretary

By: Lena M. Diviney
Separate Property

Date: _____

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF CALIFORNIA,

COUNTY OF RIVERSIDE.

The foregoing instrument was acknowledged before me this _____ day of April, 1964, by LENA M. DIVNEY

My Commission Expires: _____

PHYLLIS CURRY, Notary Public in and for the County of Riverside, State of California
My Commission Expires April 27, 1967.

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

at 8:05 o'clock PM
and Recorded in Book 283
Page 13
JANE RICE, County Clerk

APR 12 1965

31297

31291

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____

Date: February 23, 1965

Date: February 23, 1965

By: ILA Grace Hughes

ILA Grace Hughes
ILA GRACE HUGHES, INDIVIDUALLY

ILA Grace Hughes
ILA GRACE HUGHES, GUARDIAN OF THE
ESTATE OF HOWARD MARTIN HUGHES, MINOR

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 23rd day of February, 1964, by ILA GRACE HUGHES, INDIVIDUALLY AND ILA GRACE HUGHES, GUARDIAN OF THE ESTATE OF HOWARD MARTIN HUGHES, A MINOR.

My Commission Expires: _____

Emma Jean Harralson
Notary Public
EMMA JEAN HARRALSON

STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

APR 12 1965

at 1:05 o'clock A.M.

and Recorded in Book 233

Page 1

JANE B. G. County Clerk

31291

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 3-25-65

Date: 3-25-65

By: Carl D. Dreyer

Mary L. Dreyer

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Louisiana,

COUNTY OF Evangeline.

The foregoing instrument was acknowledged before me this 25th day of March, 1965, ~~1964~~, by Carl Meier and his wife Mary L. Meier.

Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires: _____

Hosca C. Robert
Notary Public

Life

STATE OF _____,

COUNTY OF _____.

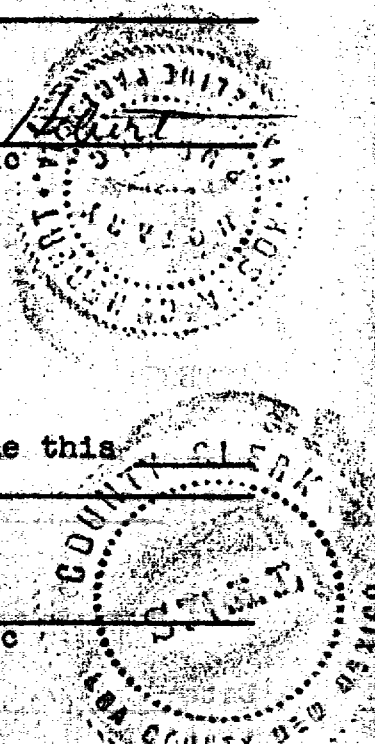
The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____, STATE OF NEW MEXICO, COUNTY OF LEA.

My Commission Expires: _____

Notary Public

APR 12 1965

at 8:05 o'clock P. M.
and Recorded in Book 233
Page 3
LANE BUREAU



31292

28623

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

R. B. Lambert

R. B. LAMBERT

LeRoy C. Lambert

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

The foregoing instrument was acknowledged before me this 17th day of November, 1964, by R. B. LAMBERT

My Commission Expires: _____

Georgia M. Harris
Notary Public

May 1, 1965

STATE OF Oklahoma

COUNTY OF Oklahoma

The foregoing instrument was acknowledged before me this 17th day of May, 1964, by Lixey C. Lambert

My Commission Expires: _____

Kathleen M. Love
Notary Public

MY COMMISSION EXPIRES

5-26-1965

RATIFICATION

31649

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 11-17-1964

Date: 4-12-1965

By: _____

Frank Bateman
FRANK BATEMAN

Martha O. Bateman

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO

COUNTY OF LEA

The foregoing instrument was acknowledged before me this 17th day of November, 1964, by FRANK BATEMAN

My Commission Expires: _____

June 23, 1965

STATE OF NEW MEXICO

COUNTY OF LEA

The foregoing instrument was acknowledged before me this 12th day of April, 1964, by MARTHA O. BATEMAN

My Commission Expires: _____

Notary Public

28591

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Date: _____ Secretary

Date: 11-73-64

Date: _____

By: _____

A. L. Childers
A. L. CHILDERS
by Clifford Campbell her Attorney-
In-Fact.

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ A. L. CHILDERS

My Commission Expires: _____ Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

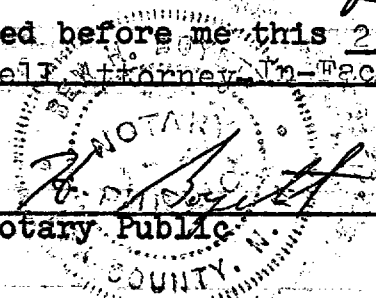
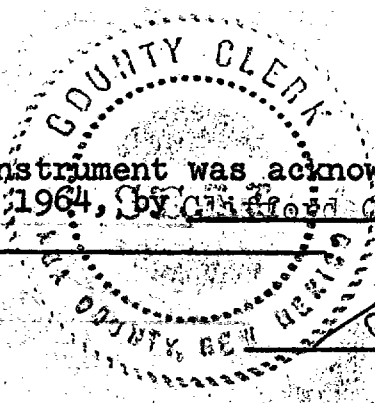
at 11:50 o'clock A M
and Recorded in Book 230
Page 66
JANE PRICE County Clerk
By [Signature] Deputy

STATE OF New Mexico

COUNTY OF Lea

The foregoing instrument was acknowledged before me this 23 day of November, 1964, by Childers Campbell Attorney In Fact for A. L. Childers.

My Commission Expires: _____ Notary Public



28591

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: May 11, 1965

Date: May 11, 1965

By: _____

Henry H. Taylor

HENRY H. TAYLOR

Rosalie M. Taylor

ROSALIE M. TAYLOR

STATE OF _____

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this 11th day of May, 19645 by Henry H. Taylor & Rosalie M. Taylor, his wife.

My Commission Expires: _____

Dorothy Schumaker
Notary Public

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

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Executed as of the 1st day of September, 1964.

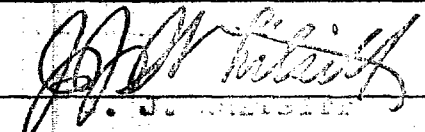
ATTEST:

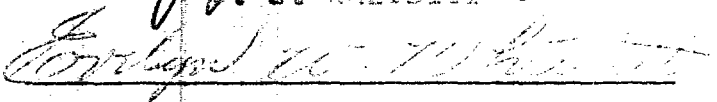
Secretary
Date: _____

By: _____

Date: _____

Date: _____





STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public


STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

JUNE 1, 1965

Mildred Palmer 
Notary Public

STATE OF TEXAS

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me this 2nd day of DECEMBER, 1964, by G. J. WHITSITT

My Commission Expires: _____

Mildred Palmer
Notary Public

STATE OF TEXAS

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me this 10th day of MAY, 1965, by EVELYN W. WHITSITT

My Commission Expires: _____

Helen Johnston
Notary Public

HELEN JOHNSTON

Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1965

31298

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____.

My Commission Expires: _____

Notary Public

STATE OF Louisiana,

COUNTY OF Cade.

The foregoing instrument was acknowledged before me this 31st day of March, 1965, by William J. Meier and wife Martha E. Meier.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED FOR RECORD

Lovington, New Mexico

April 12 1965 at 8:05 o'clock P.M. and recorded in Book 233 page 15

of the _____ records of my office _____ County Clerk.

28631

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____

By: _____

Date: _____

Mrs. W. H. Patten
MRS. W. H. PATTEN, A WIDOW

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

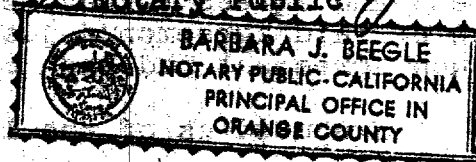
STATE OF California,

COUNTY OF Orange.

The foregoing instrument was acknowledged before me this 20th day of November, 1964, by MRS. W. H. PATTEN

My Commission Expires: _____

BARBARA J. BEEGLE, Notary Public
in and for the State of California
My Commission Expires May 4, 1969



STATE OF _____,

COUNTY OF _____.

Lovington Abstract Co.
Lovington, New Mexico

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA

FILED

My Commission Expires: _____

Notary Public

FEB 3 1965

11:50

230

Page 146

31395

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____

By: Tommy Lee Schmidt,
a single woman

Date: April 12, 1965

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF N.M.

COUNTY OF Doña Ana

The foregoing instrument was acknowledged before me this 12 day of April, 1964, by James A. Schmidt

My Commission Expires: 10-29-68 Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____ Notary Public

1:40
and Recorded in Book 233
Page 65
NOTARY PUBLIC, County of _____

31395

28636

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____

ANNIE RUTH SCHWARTFEGER

Date: _____

Annie Ruth Schwartfeger

A Single
1000000

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF CALIFORNIA,

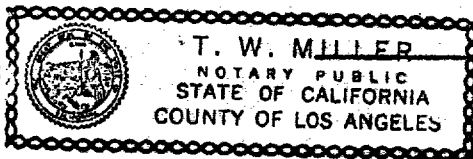
COUNTY OF LOS ANGELES.

The foregoing instrument was acknowledged before me this 15th day of DECEMBER, 1964, by ANNIE RUTH SCHWARTFEGER A SINGLE WOMAN.

My Commission Expires: _____

T. W. MILLER

My Commission Expires June 20, 1966



T. W. Miller
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Levington Abstract Co. STATE OF NEW MEXICO
Levington, New Mexico COUNTY OF LEA
FILED
FEB 3 1965
at 11:50 o'clock
and Recorded in Book 220
Page 156
JANE RICE, County Clerk
By _____ Deputy

28637

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____

Date: _____

Date: _____

By: _____

Marie Josephine Self

MARIE JOSEPHINE SELF
d. w. Wilson

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas,
COUNTY OF Harris.

The foregoing instrument was acknowledged before me this 24th
day of November, 1964, by MARIE JOSEPHINE SELF

ANNE P. McSTAY
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1965

My Commission Expires: _____

Anne P. Mcstay
Notary Public

STATE OF _____,
COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, _____
STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

FEB 3 1965

15.8
230

RATIFICATION
28647
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

J. L. Taylor

(J. L. TAYLOR)
Esther Taylor

ESTER TAYLOR, his wife

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 19th day of November, 1964, by J. L. TAYLOR.

My Commission Expires: _____

Notary Public

7-7-67

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 19th day of November, 1964, by ESTER TAYLOR.

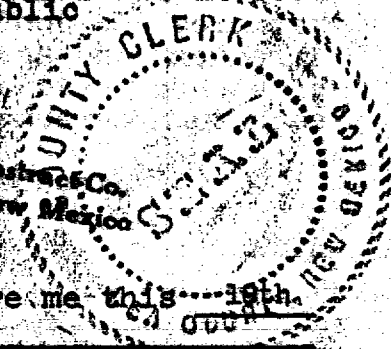
My Commission Expires: _____

Notary Public

FEB 3 1965

11:50 a.m.
and Recorded in Book 222
Page 178
JAMES R. GILLES, County Clerk
By _____ Deputy

Lovington Abstracts Co.
Lovington, New Mexico



28647

28648

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Date: 12-1-64 Secretary

Date: _____

Date: _____

By: Johnnie S. Taylor
Johnnie S. Taylor Gen. &
Robert Ray Taylor
 JOHNNIE S. TAYLOR INDIVIDUALLY AND
 AS GUARDIAN OF ROBERT RAY TAYLOR,
 A MINOR

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF New Mexico,

COUNTY OF Lea.

The foregoing instrument was acknowledged before me this 1st day of December, 1964, by JOHNNIE S. TAYLOR, INDIVIDUALLY AND AS GUARDIAN OF ROBERT RAY TAYLOR, A MINOR.

My Commission Expires: _____ M. G. Brangley Notary Public

My Commission Expires May 5, 1967

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO

FEB 3 1965

My Commission Expires: _____ Notary Public

and Recorded in Book 230
Page 180
JANE RICH, County Clerk
By _____ Deputy

28648

31296

21 71. 61

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: Lawrence Chester Taylor
Olivia J. Taylor

STATE OF Tennessee,

COUNTY OF Jefferson.

The foregoing instrument was acknowledged before me this 25th
day of March, 1964, by _____, a
_____, corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____, a
_____, corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Tennessee,

COUNTY OF Jefferson.

The foregoing instrument was acknowledged before me this 25th
day of March, 1964, by Lawrence Chester Taylor and Gloria P. Taylor, wife

Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires: 8-30-67

[Signature]
Notary Public

STATE OF _____,

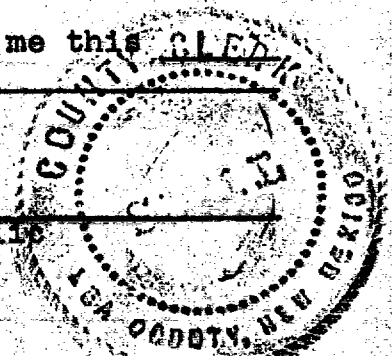
COUNTY OF _____.

The foregoing instrument was acknowledged before me this 25th
day of _____, 1964, STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

APR 12 1965 Notary Public

8.05 o'clock
and Recorded in Book 203
Page 11



31296

31293

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: March 24, 1965

Murtie Taylor
MURTIE TAYLOR a widow

Date: _____

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO,

COUNTY OF LEA.

The foregoing instrument was acknowledged before me this 24th day of March, 1964, by MARIE TAYLOR

Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, STATE OF NEW MEXICO

COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

at 8:05 o'clock PM
and Recorded in Book 233
Page 3

31396

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: X' Mae Williams
a witness

Date: 4-12-65

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF N.M.

COUNTY OF Albuquerque

The foregoing instrument was acknowledged before me this 12 day of April, 1964, by Ben Williams

My Commission Expires: 10-24-68 Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

APR 13 1965

and Recorded in Book 223
Page 67
JANE EICK County Clerk
by Bo

28659

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

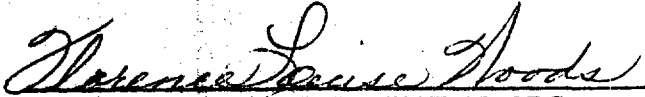
Secretary

Date: _____

Date: _____

Date: _____

By: _____


FLORENCE LOUISE WOODS,
Separate Property
P.O.Box 1867, Ardmore, Oklahoma 73401

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Nebraska

COUNTY OF Carter.

The foregoing instrument was acknowledged before me this 21 day of November, 1964, by FLORENCE LOUISE WOODS

My Commission Expires: _____

W. J. Crowley
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Dwight Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA

FEB 3 1965

11:50 AM
and Recorded in Book 230
Page 202
JANE RICE, County Clerk
By JR Deputy

28659

28589

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Geneva D. Gardner
Notary Public Secretary

Date: Chaves County
New Mexico

By: _____

Date: my commission expires
July 26, 1968

Date: November 19, 1964

Mrs Bert Ellen Weir Camp
MRS. BERT ELLEN WEIR CAMP
a single woman

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

STATE OF NEW MEXICO

X COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 19th
day of November, 1964, by MRS. BERT ELLEN WEIR CAMP, A SINGLE WOMAN

My Commission Expires:

Gene L. Gardner
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____
COUNTY OF _____

STATE OF NEW MEXICO
COUNTY OF LEA

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____
of _____, a
corporation, on behalf of said corporation.

FEB 3 1965

My Commission Expires:

Notary Public

JANE HIGH, County Clerk
By _____ Deputy

28646

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: 11-20-64

Clasabel Weir Tanner
CLARABEL WEIR TANNER,
Separate Property

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF California

COUNTY OF Los Angeles

The foregoing instrument was acknowledged before me this 20th day of November, 1964, by CLARABEL WEIR TANNER

My Commission Expires:

MARY M. MILLER

My Commission Expires Jan. 14, 1968

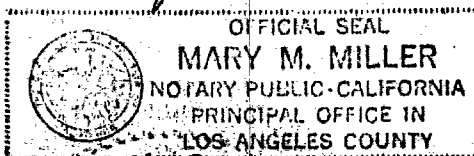
STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Mary M. Miller
Notary Public Mary M. Miller



STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 230

JANE RICE, County Clerk
By JK Deputy

Lovington Abstract Co.
Lovington, New Mexico

28538

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: _____

Boyce Rush Davis
BOYCE RUSH DAVIS

Date: _____

Willard L. Davis
WILLARD L. DAVIS

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Arkansas,

COUNTY OF Garland.

The foregoing instrument was acknowledged before me this 17th day of December, 1964, by BOYCE RUSH DAVIS AND HUSBAND WILLARD L. DAVIS

My Commission Expires: _____

December 12, 1966

Bennie L. Allen
Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires: _____

Notary Public

FEB 3 1965

and Recorded in Book 230
Page 80
JANE RICE, County Clerk
By [Signature] Deputy

28598

28612

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

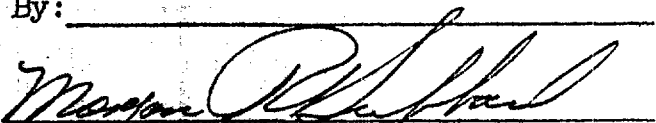
ATTEST:

Secretary

Date: NOVEMBER 2, 1964

By: _____

Date: December 9, 1964



MORGAN R. HUBBARD, TRUSTEE OF THE
ESTATE OF G. E. HUBBARD, DECEASED

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas

COUNTY OF Dallas

The foregoing instrument was acknowledged before me this 9th day of December, 1964, by ESTATE OF G. E. HUBBARD, DECEASED MORGAN R. HUBBARD, TRUSTEE OF THE

My Commission Expires: _____

Sharon Wrede
Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

11:50
and Recorded in Book 230

JANE RICE
County Clerk

RATIFICATION

28611

EAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

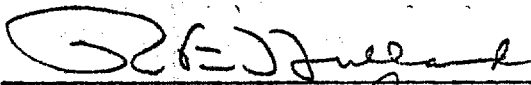
Secretary

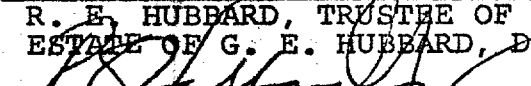
Date: _____

By: _____

Date: December 9, 1964

Date: December 9, 1964



R. E. HUBBARD, TRUSTEE OF THE
ESTATE OF G. E. HUBBARD, DECEASED


R. E. HUBBARD, JR., TRUSTEE OF
THE ESTATE OF G. E. HUBBARD,

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock PM
and Recorded in Book 230
Page 106
JANE RICE, County Clerk
By [Signature] Deputy

STATE OF Texas,

COUNTY OF Dallas.

The foregoing instrument was acknowledged before me this 9th day of December, 1964, by R. E. HUBBARD, TRUSTEE OF THE ESTATE OF G. E. HUBBARD, DECEASED.

My Commission Expires: _____

Sharon Wrede [Signature]
Notary Public

June 1, 1965

STATE OF Texas,

COUNTY OF Dallas.

The foregoing instrument was acknowledged before me this 9th day of December, 1964, by R. E. HUBBARD, JR., TRUSTEE OF THE ESTATE OF G. E. HUBBARD, DECEASED.

My Commission Expires: _____

Sharon Wrede [Signature]
Notary Public

June 1, 1965

Lovington Abstract Co.
Lovington, New Mexico

28611

28613

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

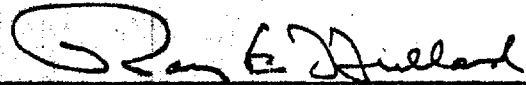
Secretary

Date: _____

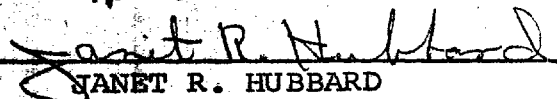
Date: December 3, 1964

Date: December 3, 1964

By: _____



RAY E. HUBBARD


JANET R. HUBBARD

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas,

COUNTY OF Dallas.

The foregoing instrument was acknowledged before me this 3rd day of December, 1964, by ROY E. HUBBARD AND WIFE JANET R. HUBBARD A.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

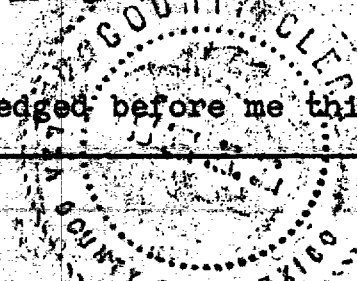
The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

at 11:50 o'clock 4 M
and Recorded in Book 230
Page 110
FILED
FEB 3 1965
Notary Public
County Clerk
Deputy

Lovington Abstract Co.
Lovington, New Mexico



28613

29285

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

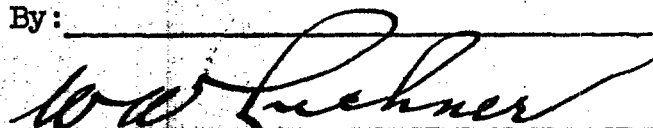
Secretary

Date: _____

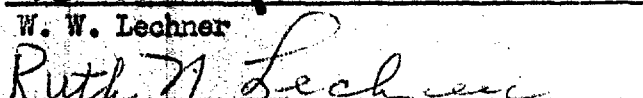
Date: February 2, 1965

Date: February 2, 1965

By: _____



W. W. Lechner



Ruth A. Lechner

(over)

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas

COUNTY OF Dallas

The foregoing instrument was acknowledged before me this 2nd day of February, 1964, by W. H. Lechner and Ruth N. Lechner, his wife

Lovington Abstract Co.
Lovington, New Mexico

My Commission Expires:

June 1, 1965

Ruth N. Lechner
Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 17 1965

2:00 P
and Recorded in Book 220
Page 494
By *[Signature]* Deputy

29285

28634

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: Nov 13 1964

Lula S. Rush
LULA RUSH BLAIR, Single

1107 Kirby Building, Dallas, Texas 75201

Date: _____

~~L. S. BLAIR~~

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 23 day of November, 1964, by LULA RUSH BLAIR AND HUSBAND L. L. BLAIR

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

Lena M. Galt
Notary Public

Lovington Abstract Co.
Lovington, New Mexico
COUNTY CLERK
COUNTY OF LEA
FILED

FEB 3 1965

at 1.50 a block 4 M
and Recd in Book 220
Page 152
JAMES H. E. County Clerk
By _____ Deputy

28650

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____


J. E. VAETH


ANNA L. VAETH

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas

COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this 25 day of November, 1964, by J. E. VARTH AND WIFE ANNA L. VARTH

My Commission Expires: January 65

Nell McMahon
Notary Public

NELL McMAHAN, Notary Public in and for Tarrant County, Texas

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock A M
and Recorded in Book 222
Page 184
JANE RICE County Clerk
By JR Deputy

28650

28656

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary
Date: _____
Date: _____
Date: _____

By: _____
Ruth Rush Weaver
RUTH RUSH WEAVER
Donald A. Weaver
DONALD A. WEAVER

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF ARKANSAS,

COUNTY OF GARLAND.

The foregoing instrument was acknowledged before me this _____ day of 1-6-65 1964, by RUTH RUSH WEAVER AND HUSBAND DONALD E. WEAVER.

My Commission Expires: _____

Edward Burroughs
Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____.

My Commission Expires: _____

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

at 11:50 o'clock P M
and Recorded in Book 220
Page 126
JANE RICE County Clerk
By JR Deputy

28520

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

Edna Mae Johnson
EDNA MAE JOHNSON, a widow

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this 13th day of January, 1964, by EDNA MAE JOHNSON

My Commission Expires: _____

Martha Bell

Notary Public

June 1, 1965

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ STATE OF NEW MEXICO COUNTY OF LEA FILED

My Commission Expires: _____

Notary Public

FEB 3 1965

1150

By _____ County Clerk Deputy

28626

RATIFICATION

EAST EUMONT UNIT

Tract No. 64

NML-5 - D. L. Johnson

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

MABEE ROYALTIES, INC.

D. L. Johnson
Secretary

Date: November 17, 1964

By: E. L. Johnson
President

Date:

Date:

STATE OF OKLAHOMA,

COUNTY OF TULSA.

The foregoing instrument was acknowledged before me this 17th
day of November, 1964, by E. G. INTELMA
PRESIDENT of MARIE ROYALTIES, INC., a
DELAWARE corporation, on behalf of said corporation.

My Commission Expires:

JANUARY 16, 1965

Marie French
Notary Public

STATE OF _____,

COUNTY OF _____.

**Lovington Abstract Co.
Lovington, New Mexico**

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____,
of _____, a
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

My Commission Expires:

Notary Public

FEB 3 1965

11:50 A
and Recorded in Book 230
Page 136
JAN. E. G. County Clerk
By [Signature]

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____
day of _____, 1964, by _____.

My Commission Expires:

Notary Public

28658

RATIFICATION
EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Date: 12-2-64 Secretary

By: Louise Orr Wise

Date: _____

LOUISE ORR WISE
Separate Property

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF Texas

COUNTY OF Smith

The foregoing instrument was acknowledged before me this 2d day of December, 1964, by LOUISA ORA WISE

My Commission Expires: June 1, 1965

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____

Notary Public

Edington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

11:50 AM
and Recorded in Book 230
JANE RICE County Clerk
By [Signature] Deputy

28658

28660

RATIFICATION

EAST EUMONT UNIT

Lea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: _____

Date: _____

By: _____

W. A. Yeager
W. A. YEAGER

J. M. Armstrong
J. M. ARMSTRONG

M. Lee Armstrong

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 16th day of November, 1964, by W. A. YEAGER and wife, Patsy Goss

My Commission Expires: June 1, 1965.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

Lily Carden
Notary Public

FEB 3 1965

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 16th day of November, 1964, by J. M. ARMSTRONG and wife, Mary Lee

My Commission Expires: June 1, 1965.

Notary Public

at 11:50 a.m. R M
and Recorded in Book 230
Page 202
JANE BICE County Clerk
By *JR* Deputy

31648

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

Date: 1/12/65

Date: 4/13/65

By: _____

Lloyd W. Johnson
LLOYD W. JOHNSON

Mildred E. Johnson

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF Oklahoma,

COUNTY OF Tulsa.

The foregoing instrument was acknowledged before me this 1/31 day of April, 1964, by MILDEED E. JOHNSON of _____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

April 1, 1969

STATE OF Oklahoma,

COUNTY OF Tulsa.

The foregoing instrument was acknowledged before me this 13th day of January, 1964, by LLOYD W. JOHNSON

My Commission Expires: _____ Notary Public

April 1, 1969

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

APR 20 1965

STATE OF _____,

COUNTY OF _____.

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

at 9:30 o'clock 4 of _____
and Recorded in Book 233
Page 184
JANE RICE, County Clerk
By _____ Deputy

31648

28593

RATIFICATIONEAST EUMONT UNITLea County, New Mexico

Each of the parties who signs this instrument, and is or claims to be a Royalty Owner (as such term is defined in the Unit Agreement hereafter mentioned) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of an instrument styled "Unit Agreement, East Eumont Unit, Lea County, New Mexico," and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner (as such term is defined in the aforementioned Unit Agreement) in one or more of the Tracts hereafter mentioned, acknowledges receipt of a counterpart of the aforementioned Unit Agreement and also a counterpart of an instrument styled "Unit Operating Agreement, East Eumont Unit, Lea County, New Mexico." Said agreements have been executed as of the 1st day of September, 1964 by various persons and provide for the conducting of Unit Operations with respect to the vertical interval from the top of the Yates Formation to the top of the Grayburg Formation in lands in Townships 18, 19 and 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

The Unit Agreement, by Exhibit "A", shows on a map the boundary lines of the Unit Area and the Tracts therein, and by Exhibit "B", describes each Tract in the Unit Area.

Both the Unit Agreement and the Unit Operating Agreement provide that said agreements shall be binding upon any party executing a separate instrument in writing specifically referring to and ratifying same.

NOW, THEREFORE, each of the parties who signs this instrument, and is or claims to be a Royalty Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms said Unit Agreement and agrees to become a party to and be bound by the provisions of the Unit Agreement just as if the original or a counterpart thereof had been executed, and each of the parties who signs this instrument, and is or claims to be a Working Interest Owner in one or more of the Tracts described in Exhibit "B" of the Unit Agreement, adopts, ratifies and confirms both the Unit Agreement and the Unit Operating Agreement and agrees to become a party to and be bound by the provisions of each of said agreements just as if the original or a counterpart of each such agreement had been executed.

Executed as of the 1st day of September, 1964.

ATTEST:

Secretary

Date: _____

By: _____

Date: 11-19-64

Josephine Orr Compton
JOSEPHINE ORR COMPTON

Date: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____ Notary Public

STATE OF Texas

COUNTY OF Tarrant

The foregoing instrument was acknowledged before me this 19th day of November, 1964, by JOSEPHINE ORR COMSTON

My Commission Expires: June 1, 1965 Dallas Notary Public Irving and Fort Tarrant County, Texas

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1964, by _____

My Commission Expires: _____ Notary Public

Lovington Abstract Co.
Lovington, New Mexico

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

FEB 3 1965

11:50 a.m.
and Recorded in Book _____
PAGE 20
JANE RICE County Clerk
By _____