



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 12, 1995


HINKLE, COX, EATON,
COFFIELD & HENSLEY
Attorneys at Law
P. O. Box 2068
Santa Fe, New Mexico 87501

RE: CASE NO. 11279
ORDER NO. R-9035-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,


Sally E. Martinez
Administrative Secretary

cc: BLM - Roswell
Bill Carr

HINKLE, COX, EATON, COFFIELD & HENSLEY
P.L.L.C.*

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504-2068
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CLARENCE E. HINKLE (1903-1985)
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S. BARRY PAISNER
MARTIN MEYERS
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DAVID M. RUSSELL**
ANDREW J. CLOUTIER
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T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
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NANCY S. CUSACK
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JEFFREY D. HEWETT
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
WILLIAM F. COUNTISS**
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS*
GARY D. COMPTON*
W. H. BRIAN, JR.**
RUSSELL J. BAILEY**
CHARLES R. WATSON, JR.**
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
MARK C. DOW
FRED W. SCHWENDIMANN
JAMES M. HUDSON

*REGISTERED IN NEW MEXICO
AS HINKLE, COX, EATON,
COFFIELD & HENSLEY, P.L.L.C., LTD., CO

*NOT LICENSED IN NEW MEXICO
*FORMERLY COMPRISING THE FIRM OF
CULTON, MORGAN, BRITAIN & WHITE, P.C.

May 8, 1995

HAND DELIVERY

David Catanach
Oil Conservation Division
2040 Pacheco Street
Santa Fe, New Mexico

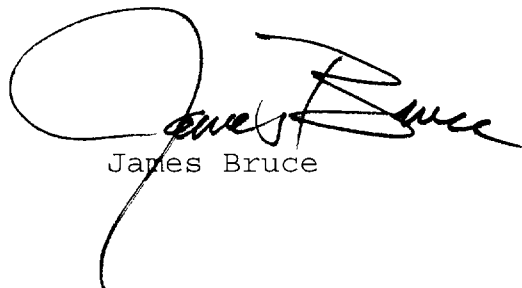
Re: Case No. 11279, North King Camp-Devonian Pool

Dear Mr. Catanach:

Enclosed is a proposed Order in Case No. 11279, regarding the North King Camp-Devonian Pool. As requested at the hearing, it is imperative that this Agreement be approved by the Division no later than Monday, May 15, 1995. Please call if you have any questions.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY, P.L.L.C., Ltd., Co.



James Bruce

Enclosure
JB/sp

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

THE APPLICATION OF EXXON CORP-
ORATION, PURSUANT TO THE PROVISIONS
OF ORDER NO. R-9035, TO RELAX
CONDITIONS GOVERNING THE NORTH
KING CAMP-DEVONIAN POOL AND TO
ACKNOWLEDGE A RECENTLY APPROVED
FEDERAL UNIT AREA IN CHAVES COUNTY,
NEW MEXICO.

CASE NO. 11279
ORDER NO. R-9035-A

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 4, 1995, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this ____ day of May, 1995, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) Oil Conservation Commission Order No. R-9035 established an allowable of 235 barrels of oil per day for the North King Camp-Devonian Pool, to be shared by three 160-acre oil spacing and proration units, all located in Section 9, Township 14 South, Range 29 East, NMPM, Chaves County, New Mexico. The order further provided that the allowable was to remain in effect until such time as all interest owners in the Pool entered into a voluntary agreement for the unitized operation of the Pool.

(3) Section 9, Township 14 South, Range 29 East is comprised of three tracts of federal land, as follows:

- (a) The NE $\frac{1}{4}$, covered by Federal Lease NMNM 77961;
- (b) The SE $\frac{1}{4}$, covered by Federal Lease NMNM 70402; and
- (c) The W $\frac{1}{2}$, covered by Federal Lease NMNM 68078.

ORDER OF THE DIVISION
CASE NO. 11279
ORDER NO. R-9035-A
Page 2

(4) The applicant submitted to the Division a Unitization Agreement dated effective April 1, 1995, covering the leases described in Finding Paragraph (3). The Unitization Agreement was executed by all royalty, overriding royalty, and working interest owners in said leases, and was approved by the Bureau of Land Management as Contract No. NMNM 91066X (Anchor Deep Unit Area). Thornton Operating Corporation is operator under the Unitization Agreement.

(5) The Unitization Agreement satisfies the terms of Order No. R-9035.

(6) At the hearing on this matter, appearances were entered by the applicant and by Santa Fe Exploration Company, Thornton Operating Corporation, and Curry & Thornton, who supported the application.

(7) The applicant and the other parties requested that the Unitization Agreement be acknowledged and that the allowable for the Pool be increased to 1030 barrels of oil per day, effective April 1, 1995, the effective date of the Unitization Agreement. They further requested that this Order be entered no later than May 15, 1995, in order to prevent termination of the Unitization Agreement. Good cause exists for the granting of the requested relief, since the interest owners in the Pool have fully complied with the terms of Order No. R-9035.

IT IS THEREFORE ORDERED THAT:

(1) The Unitization Agreement for the North King Camp-Devonian Pool is hereby acknowledged, effective April 1, 1995.

(2) Said Unitization Agreement satisfies the requirements of Commission Order No. R-9035.

(3) The allowable for the Pool is increased to 1030 barrels of oil per day effective April 1, 1995, to be produced in any proportion among Pool wells.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico on the day and year herein above designated.

ORDER OF THE DIVISION
CASE NO. 11279
ORDER NO. R-9035-A
Page 3

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

William J. LeMay
Director



IN REPLY
REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell District Office
1717 West Second Street
Roswell, New Mexico 88201-2019

NMNM91066X
3180 (06200)

RECEIVED

APR 11 1995

Oil Conservation Division

APR 07 1995

Santa Fe Exploration Company
Attention: Mr. William McAlpine
P. O. Box 1136
Roswell, NM 88201

Gentlemen:

One approved copy of the Anchor Deep Unit Agreement, No. NMNM91066X, Chaves County, New Mexico is enclosed. Such Agreement is effective as of the date of approval.

Approval of the agreement does not warrant or certify that the operator thereof and other working interest owners hold legal or equitable title to the leases which are committed hereto.

You are requested to furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Tony L. Ferguson
Assistant District Manager,
Minerals

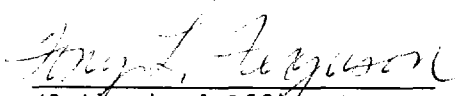
1 Enclosure

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., sec. 181, et seq., and delegated to the Authorized Officer of the Bureau of Land Management, under the authority of 43 CFR 3183, I do hereby:

- A. Approve the attached agreement for the development and operation of the Anchor Deep Unit Area, State of New Mexico. This approval shall be invalid ab initio if the public interest requirement under §3183.4 (b) of this title is not met.
- 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: April 7, 1995


(Authorized Officer)
Bureau of Land Management

Contract No: NMNM91066X

UNITIZATION AGREEMENT

Contract No. NEW MEX 91066X

THIS AGREEMENT is entered into as of the 1st day of April, 1995, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "the parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes unitizing a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when such unitization is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this Agreement; and

WHEREAS, this Agreement is entered into to comply with the voluntary UNITIZATION provision of New Mexico Oil Conservation Commission Order No. R-9035; and

WHEREAS, the parties hereto desire to combine or unitize their respective mineral interests in lands subject to this Agreement for the purpose of developing and producing unitized substances in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this Agreement (hereinafter referred to as "the unitized area") are described as follows:

Township 14 South, Range 29 East, N.M.P.M.

Section 9: All

Chaves County, New Mexico

containing 640.00 acres, more or less. This Agreement shall include only those depths below the top of the Devonian Carbonate formation which directly underlies the base of the Woodford Shale as found at a depth of 9698 feet on the Compensated Neutron-Lithodensity well log dated August 27, 1988, in the Santa Fe Exploration Company Holmstrom Fed. No. 1 which is located 1980' FSL and 1980' FEL of Section 9 T14S-R29E, Chaves County, NM, and its stratigraphic equivalent within the unitized area and all depths below said lands, hereinafter referred to as "unitized substances," producible from such formation.

2. Attached hereto and made a part of this Agreement for all purposes is Exhibit A, designating the operator of the unitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the unitized area, and the allocation of oil and gas production to the tracts within the unitized area.

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this Agreement. A successor operator may be designated by the owners of the working interest in the unitized area, and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his duly authorized representative, with a log and history of any well drilled on the unitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.

5. The unitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all unitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportions set out in Exhibit A. The parties expressly recognize and agree that such allocation of production is not being based on the proportionate acreage of the leases covered hereby, due to the fact that the allocation provided for in Exhibit A has been deemed more equitable. It is recognized that the interests of the United States of America, as the only royalty owner in the unit, are not affected by such allocation, since it owns the same interest in each lease covered hereby.

6. The royalties payable on unitized substances allocated to the individual leases comprising the unitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this Agreement shall not be

affected by this Agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding or step-scale rate of royalty, such rate shall be determined separately as to production from each unitized lease, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all unitized production allocated to such a lease plus any nonunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this Agreement on separate component tracts into which the unitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately unitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said unitized area from drainage of unitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for unitized substances on the unitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said unitized area, and operations or production pursuant to this Agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of unitized substances and disposal thereof shall be in conformity with allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This Agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this Agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules, or regulations.

10. The effective date of this Agreement is 7:00 A.M. (Mountain Standard Time), April 1, 1995, upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and for as long as unitized substances are, or can be, produced from the unitized area in paying quantities, provided that this Agreement may be terminated at any time by mutual Agreement of the parties hereto. This Agreement shall not terminate upon

cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the unitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The two-year term of this Agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the unitized interests of the parties hereto and their successors in interests until this Agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the unitized area to the same extent necessary to monitor production and measurement, and assure that no loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This Agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, devisees, executors, administrators, successors, and assigns.

14. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument in writing, specifically referring hereto, and shall be binding upon all 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.

15. Nondiscrimination: In connection with the performance of work under this Agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR

✓ Thornton Operating Corporation

DATE OF EXECUTION: 2/27/95 By: Robert L. Thornton, President

WORKING INTEREST OWNERS

Exxon Corporation

DATE OF EXECUTION: _____ By: _____

Armstrong Energy Company

DATE OF EXECUTION: _____ By: _____

Bearing Service & Supply

DATE OF EXECUTION: _____ By: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR

Thornton Operating Corporation

DATE OF EXECUTION: _____ By: _____

WORKING INTEREST OWNERS

Exxon Corporation

Div. Ldmn. ST/DRL
Div. Geol. WAL
Div. Acct. ST
Div. Law SIL

DATE OF EXECUTION: 3-29-95 By: G. B. Weed

Armstrong Energy Company

DATE OF EXECUTION: _____ By: _____

Bearing Service & Supply

DATE OF EXECUTION: _____ By: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR

Thornton Operating Corporation

DATE OF EXECUTION: _____ By: _____

WORKING INTEREST OWNERS

Exxon Corporation

Div. Ldmn. ST/DRL
Div. Geol. _____
Div. Acct. _____
Div. Law SIL

DATE OF EXECUTION: _____ By: _____

Armstrong Energy ^{Corporation} ~~Company~~

Handwritten signature

DATE OF EXECUTION: 3/23/95 By: *Robert G. Armstrong*
Robert G. Armstrong, President

Bearing Service & Supply

DATE OF EXECUTION: _____ By: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR

Thornton Operating Corporation

DATE OF EXECUTION: _____ By: _____

WORKING INTEREST OWNERS

Exxon Corporation

Div. Ldmn. MT/DRL
Div. Geol. _____
Div. Acct. _____
Div. Law SIL

DATE OF EXECUTION: _____ By: _____

Armstrong Energy Company

DATE OF EXECUTION: _____ By: _____

✓ Bearing Service & Supply

DATE OF EXECUTION: 3-28-95 By: James E. King

✓ Robert Beck

DATE OF EXECUTION: 2/24/1995 Robert H. Beck

William M. Boyd

DATE OF EXECUTION: _____

Cimarron Exploration Company

DATE OF EXECUTION: _____ By: _____

Harrison Leasing

DATE OF EXECUTION: _____ By: _____

Keller & Azar Joint Venture

DATE OF EXECUTION: _____ By: _____

Robert Beck

DATE OF EXECUTION: _____

William M. Boyd

DATE OF EXECUTION: 3/3/95 William M. Boyd

Cimarron Exploration Company

DATE OF EXECUTION: _____ By: _____

Harrison Leasing

DATE OF EXECUTION: _____ By: _____

Keller & Azar Joint Venture

DATE OF EXECUTION: _____ By: _____

Robert Beck

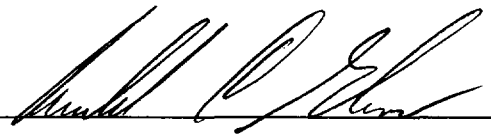
DATE OF EXECUTION: _____

William M. Boyd

DATE OF EXECUTION: _____

✓ Cimarron Exploration Company

DATE OF EXECUTION: 3/8/95

By:  _____

Harrison Leasing

DATE OF EXECUTION: _____ By: _____

Keller & Azar Joint Venture

DATE OF EXECUTION: _____ By: _____

Robert Beck

DATE OF EXECUTION: _____

William M. Boyd

DATE OF EXECUTION: _____

Cimarron Exploration Company

DATE OF EXECUTION: _____ By: _____

/ Harrison Leasing

DATE OF EXECUTION: 3/8/15 By: W.M. Hunt

Keller & Azar Joint Venture

DATE OF EXECUTION: _____ By: _____

Robert Beck

DATE OF EXECUTION: _____

William M. Boyd

DATE OF EXECUTION: _____

Cimarron Exploration Company

DATE OF EXECUTION: _____ By: _____

Harrison Leasing

DATE OF EXECUTION: _____ By: _____

✓ Keller & Azar Joint Venture

DATE OF EXECUTION: 2/10/11 By: [Signature]

✓ Betty A. McAlpine

DATE OF EXECUTION: 3/3/95 Betty A. McAlpine

Maurice Mordka

DATE OF EXECUTION: _____

New Mexico Oil Corporation

DATE OF EXECUTION: _____ By: _____

Santa Fe Exploration Company

DATE OF EXECUTION: _____ By: _____

Don Bell, Trustee

DATE OF EXECUTION: _____ By: _____

Betty A. McAlpine

DATE OF EXECUTION: _____

✓ Maurice Mordka

DATE OF EXECUTION: 3-2-95 Maurice Mordka

New Mexico Oil Corporation

DATE OF EXECUTION: _____ By: _____

Santa Fe Exploration Company

DATE OF EXECUTION: _____ By: _____

Don Bell, Trustee

DATE OF EXECUTION: _____ By: _____

Betty A. McAlpine


DATE OF EXECUTION: _____

Maurice Mordka

DATE OF EXECUTION: _____

✓ New Mexico Oil Corporation

DATE OF EXECUTION: 2-28-95

By: 
President L.C. Harris

Santa Fe Exploration Company

DATE OF EXECUTION: _____ By: _____

Don Bell, Trustee

DATE OF EXECUTION: _____ By: _____

Betty A. McAlpine

DATE OF EXECUTION: _____

Maurice Mordka

DATE OF EXECUTION: _____

New Mexico Oil Corporation

DATE OF EXECUTION: _____ By: _____

✓ Santa Fe Exploration Company



DATE OF EXECUTION: 2/24/15

By: Wm A. McAlpine

Don Bell, Trustee

DATE OF EXECUTION: _____ By: _____

Betty A. McAlpine

DATE OF EXECUTION: _____

Maurice Mordka

DATE OF EXECUTION: _____

New Mexico Oil Corporation

DATE OF EXECUTION: _____ By: _____

Santa Fe Exploration Company

DATE OF EXECUTION: _____ By: _____

Don Bell, Trustee

DATE OF EXECUTION: 3/29/95 By: D. C. Bell, Jr.

✓ Clifford Blaugrund

DATE OF EXECUTION:

2/2/15 Clifford Blaugrund

Brumbaugh Oil, Ltd.

DATE OF EXECUTION:

_____ By: _____

David Cohen

DATE OF EXECUTION:

Curry & Thornton

DATE OF EXECUTION:

_____ By: _____

Clifford Blaugrund

DATE OF EXECUTION: _____

✓ Brumbaugh Oil, Ltd.

DATE OF EXECUTION: 3/8/95 By: Col. Brumbaugh
President

David Cohen

DATE OF EXECUTION: _____

Curry & Thornton

DATE OF EXECUTION: _____ By: _____

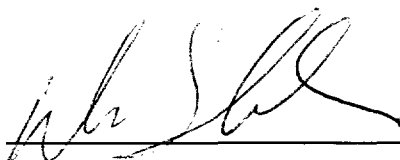
Clifford Blaugrund

DATE OF EXECUTION: _____

Brumbaugh Oil, Ltd.

DATE OF EXECUTION: _____ By: _____

/ David Cohen

DATE OF EXECUTION: 3-15 95  _____

Curry & Thornton

DATE OF EXECUTION: _____ By: _____

Clifford Blaugrund

DATE OF EXECUTION: _____

Brumbaugh Oil, Ltd.

DATE OF EXECUTION: _____ By: _____

David Cohen

DATE OF EXECUTION: _____

Curry & Thornton

DATE OF EXECUTION: 2/27/95 By: Donald R. Curry, Partner

Jon Massey, Trustee

DATE OF EXECUTION: _____ By: _____

✓ PETROYATES, INC.

3/30/95

[Signature] Secretary
[Signature]
By: *[Signature]*

DATE OF EXECUTION: 3/14/95

By: _____

Jesus Salazar, Trustee for Angel Salazar
Children Irrevocable Trust

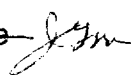
DATE OF EXECUTION: _____ By: _____

Patricia A. Nail

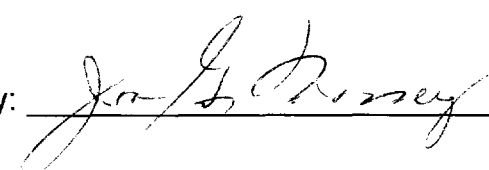
DATE OF EXECUTION: _____

Cheryl M. Surber

DATE OF EXECUTION: _____

✓ ^{6.} Jon Massey, Trustee 

DATE OF EXECUTION: 3/11/95

By: 

PETROYATES, INC.

DATE OF EXECUTION: _____

By: _____

Jesus Salazar, Trustee for Angel Salazar
Children Irrevocable Trust

DATE OF EXECUTION: _____

By: _____

Patricia A. Nail

DATE OF EXECUTION: _____

Cheryl M. Surber

DATE OF EXECUTION: _____

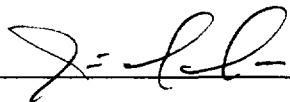
Jon Massey, Trustee

DATE OF EXECUTION: _____ By: _____

PETROYATES, INC.

DATE OF EXECUTION: _____ By: _____

✓ Jesus Salazar, Trustee for Angel Salazar
Children Irrevocable Trust

DATE OF EXECUTION: 3/23/95 By: 

Patricia A. Nail

DATE OF EXECUTION: _____

Cheryl M. Surber

DATE OF EXECUTION: _____

Jon Massey, Trustee

DATE OF EXECUTION: _____ By: _____

PETROYATES, INC.

DATE OF EXECUTION: _____ By: _____

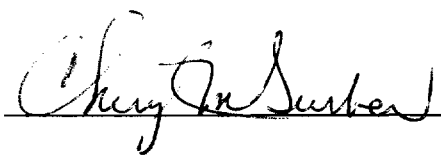
Jesus Salazar, Trustee for Angel Salazar
Children Irrevocable Trust

DATE OF EXECUTION: _____ By: _____

Patricia A. Nail

DATE OF EXECUTION: _____ 

Cheryl M. Surber

DATE OF EXECUTION: _____ 

OVERRIDING ROYALTY OWNERS

✓ Hilde Deemar

DATE OF EXECUTION:

2/22/95

Hilde Deemar

✓ Irving Roy Deemar

DATE OF EXECUTION:

2/23/95

Irving Roy Deemar
Irving Roy Deemar

Michael D. Leonhart

DATE OF EXECUTION:

Donna L. Leonhart

DATE OF EXECUTION:

Don O. Leonhart

DATE OF EXECUTION:

OVERRIDING ROYALTY OWNERS

Hilde Deemar

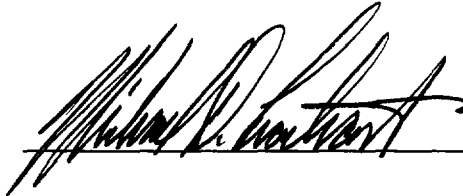
DATE OF EXECUTION: _____

Irving Roy Deemar

DATE OF EXECUTION: _____

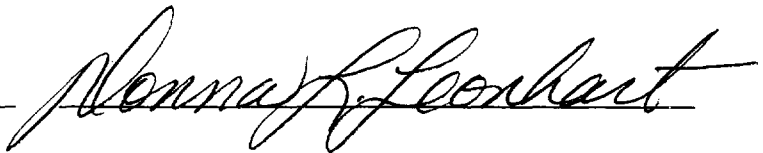
Michael D. Leonhart

DATE OF EXECUTION: 3-13-95

A handwritten signature in black ink, appearing to read "Michael D. Leonhart", written over a horizontal line.

Donna L. Leonhart

DATE OF EXECUTION: 3-13-95

A handwritten signature in black ink, appearing to read "Donna L. Leonhart", written over a horizontal line.

Don O. Leonhart

DATE OF EXECUTION: _____

OVERRIDING ROYALTY OWNERS

Hilde Deemar

DATE OF EXECUTION: _____

Irving Roy Deemar

DATE OF EXECUTION: _____

Michael D. Leonhart

DATE OF EXECUTION: _____

Donna L. Leonhart

DATE OF EXECUTION: _____

Don O. Leonhart

DATE OF EXECUTION: 3.1.95 

Winelle A. Leonhart

DATE OF EXECUTION: 3-1-95 Winelle A. Leonhart

ROYALTY OWNER

United States of America
Department of the Interior
Bureau of Land Management

DATE OF EXECUTION: _____ By: _____

CORPORATION

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 199_, by _____ as _____ of _____

a _____ Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

Notary Public

My Commission expires:

_____ County, _____

STATE OF TEXAS

COUNTY OF MIDLAND

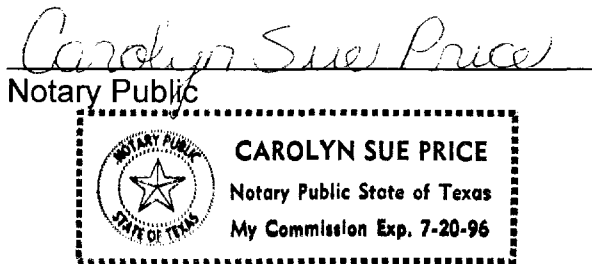
The foregoing instrument was acknowledged before me this 27 day of
February, 1995, by Robert L. Thornton as
President of Thornton Operating Corporation

a New Mexico Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

County, _____



TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

County, _____

Notary Public

Winelle A. Leonhart

DATE OF EXECUTION: _____

ROYALTY OWNER

United States of America
Department of the Interior
Bureau of Land Management

DATE OF EXECUTION: _____ By: _____

CORPORATION

STATE OF TEXAS

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me this 29th day of March, 1995, by G. B. Weeden as Agent and Attorney in Fact of Exxon Corporation

a New Jersey Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

Juanita Baptiste
Notary Public

My Commission expires:

July 11, 1997
Harris County, Texas

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this 23rd day of
March, 1995, by Robert G. Armstrong as
President of Armstrong Energy Corporation
a New Mexico Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

Louis M. Brown
Notary Public

8-15-98

Chaves County, N.M.

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 199_, by _____
as _____ of _____
a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

County, _____

STATE OF New Mexico

COUNTY OF Sandoval

The foregoing instrument was acknowledged before me this 28th day of February, 1999, by James E. Guey as President of Beaming Services Supply Co., Inc.

a New Mexico Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

Dan J. Klein
Notary Public

6-13-97

Sandoval County, N.M.

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

County, _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

INDIVIDUAL

STATE OF NEW MEXICO

COUNTY OF CHAVES


The foregoing instrument was acknowledged before me this

24TH day of FEBRUARY, 1995, by

ROBERT H. BECK

WITNESS my hand and official seal.

My Commission expires:



Notary Public
W. Lynn McElvaney

DECEMBER 13, 1998

CHAVES County, NEW MEXICO

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

INDIVIDUAL

STATE OF CALIFORNIA

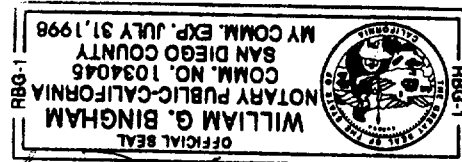
COUNTY OF SAN DIEGO

The foregoing instrument was acknowledged before me this

3rd day of MARCH, 1995, by

William G. Bingham
WILLIAM G. BINGHAM

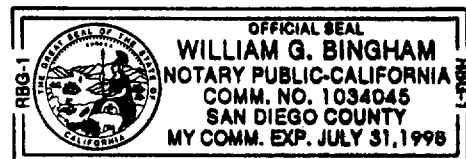
WITNESS my hand and official seal.



My Commission expires:

William G. Bingham
Notary Public

July 31, 1998



SAN DIEGO County, _____

STATE OF TEXAS

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this 2nd day of
March, 1995, by Ronald C. Glover as
President of Cimarron Exploration Company

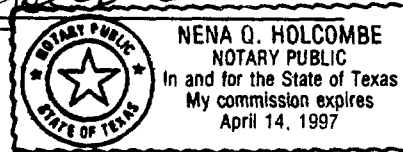
a Texas Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

April 14, 1997

Nena Q. Holcombe
Notary Public



El Paso County, Texas

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

County, _____

STATE OF Texas

COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this 8th day of March, 1995 by W.M. HARRISON, Jr as General Partner of HARRISON Leasing

a Texas Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

Karen R. Miller
Notary Public

5-7-96

El Paso County, Texas

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 199_, by _____ as _____ of _____

a _____ Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires: _____

Notary Public

_____ County, _____

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF Texas

COUNTY OF El Paso

The foregoing instrument was acknowledged before me
this 10th day of March, 1995, by James A. Keeler
as Managing Partner of Keeler's Gas Joint Venture
a Partnership, on behalf of said Partnership

WITNESS my hand and official seal.

My Commission expires: 8-28-97

Sarah M. Chester
Notary Public

El Paso County, Texas

STATE OF Texas

COUNTY OF Dallas

The foregoing instrument was acknowledged before me this

3rd day of March, 1995, by

Bobby McAlpin

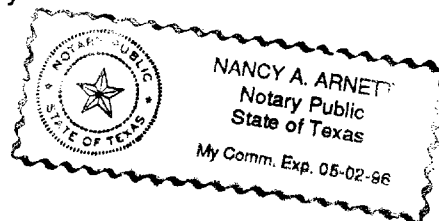
WITNESS my hand and official seal.

My Commission expires:

5-2-96

Dallas County, Texas

Nancy A. Arnett
Notary Public



STATE OF Arizona

COUNTY OF Pima

The foregoing instrument was acknowledged before me this

2 day of March, 1995, by
Marlene Mordka.

WITNESS my hand and official seal.

My Commission expires:

My Com. expires March 1, 1999

K. Ruth Miller
Notary Public


Pima County, Arizona

STATE OF NEW MEXICO

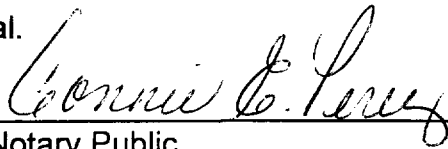
COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 28th day of February, 1995, by L.C. Harris as President of New Mexico Oil Corporation

a New Mexico Corporation, on behalf of this Corporation.

 WITNESS my hand and official seal.

My Commission expires:


Notary Public

May 11, 1997

 County,

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF

COUNTY OF

The foregoing instrument was acknowledged before me
this day of , 199 , by

as of

a , on behalf of said

WITNESS my hand and official seal.

My Commission expires:

Notary Public

 County,

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this 23rd day of February, 1995, by William A. McAllister Jr as President of Santa Fe Exploration Company a New Mexico Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

Janet Adams Royal
Notary Public

2-21-98

Chaves County, NM

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

County, _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 199_, by _____ as _____ of _____

a _____ Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires: _____

Notary Public

County, _____

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF NEW MEXICO


COUNTY OF CHAVES

The foregoing instrument was acknowledged before me
this 29th day of March, 1995, by Don C. Bell II
as Trustee of Harvey Yates Irrevocable Trust
a NM Trust, on behalf of said trust

WITNESS my hand and official seal.

My Commission expires: _____

9-7-97



Notary Public

Bernalillo County, NM

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

INDIVIDUAL

STATE OF New Mexico

COUNTY OF Bernalillo

The foregoing instrument was acknowledged before me this

28th day of February, 1995, by

Clifford Blaugrund.

WITNESS my hand and official seal.

My Commission expires:

Penelope A. Mainz
Notary Public

June 9, 1997

Bernalillo County, New Mexico

STATE OF Louisiana

COUNTY OF Orleans

The foregoing instrument was acknowledged before me

this 8 day of March, 1995, by E. R. Brumbaugh
as President of Brumbaugh Oil Ltd.
a Louisiana Corp., on behalf of said Corporation

WITNESS my hand and official seal.

My Commission expires: at death
Orleans County, La

Danny Douglas Perkins
Notary Public

INDIVIDUAL

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

_____ day of _____, 199_, by

_____.

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me

this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

INDIVIDUAL

STATE OF New Mexico

COUNTY OF Santa Fe

The foregoing instrument was acknowledged before me this

15th day of March, 1995, by

David Cohen

WITNESS my hand and official seal.

My Commission expires:

Rafael Martinez
Notary Public

4/25/98

Santa Fe County, N.M.

STATE OF TEXAS

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me

this 27th day of February, 1995 by Donald R. Curry

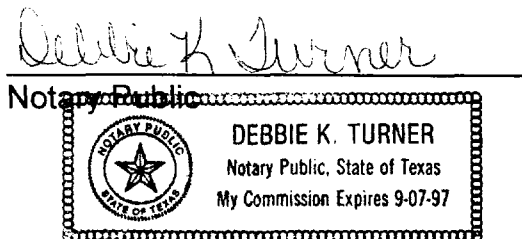
as Partner of Curry & Thornton

a Partnership, on behalf of said Partnership

WITNESS my hand and official seal.

My Commission expires: 9/7/97

Tarrant County, Texas



INDIVIDUAL

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this

_____ day of _____, 199_, by

_____.

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

STATE OF LOUISIANA
PARISH
COUNTY OF ORLEANS

The foregoing instrument was acknowledged before me this

20th day of April, 1995, by
JOHN G. MASSEY

WITNESS my hand and official seal.

My Commission expires:

County, _____



Notary Public

IRVING B. SHNAIDER, Notary Public
Parish of Orleans, State of Louisiana
My commission is issued for life.

STATE OF New Mexico

COUNTY OF Bernalillo

The foregoing instrument was acknowledged before me this 14th day of March, 1995, by HARVEY E Yates Jr as Vice President of Petro Yates

a New Mexico Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

Martha Hersh
Notary Public

2-11-96

Bernalillo County, NM

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 199_, by _____

as _____ of _____

a _____, on behalf of said _____

WITNESS my hand and official seal.

My Commission expires:

Notary Public

County, _____

STATE OF New Mexico
COUNTY OF Bernalillo

The foregoing instrument was acknowledged before me
this 30th day of March, 1995 by J. Alan Henton
as Secretary of Petro Gate Inc
a New Mexico Corp., on behalf of said Corporation

WITNESS my hand and official seal.

My Commission expires: 2-11-96 Notary Public

Bernalillo County, NM

INDIVIDUAL

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this
_____ day of _____, 199_, by
_____.

WITNESS my hand and official seal.

My Commission expires:

Notary Public

_____ County, _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 199_, by _____ as _____ of _____

a _____ Corporation, on behalf of this Corporation.

WITNESS my hand and official seal.

My Commission expires:

Notary Public

County, _____

TRUST OR OTHER PARTY ACTING THROUGH AN AGENT OR REPRESENTATIVE

STATE OF New Mexico

COUNTY OF Valencia

The foregoing instrument was acknowledged before me

this 23rd day of March, 1993, by Jesús Salazar

as Trustee of Angel Salazar Children's Irrev. Trust

New Mexico
a Trust, on behalf of said Trust

WITNESS my hand and official seal.

My Commission expires:

August 18, 1997

Valencia County, Belen, n.m.

[Signature]
Notary Public

COUNTY OF TARRANT

this 2ND day of MARCH, 1995 by _____

as _____ of _____

a _____, on behalf of said _____

My Commission expires:

Notary Public

County, _____

STATE OF TEXAS

COUNTY OF TARRANT

2ND day of MARCH, 1995, by

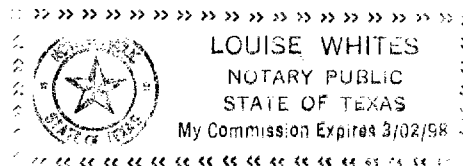
CITIZEN M. SWRBER

My Commission expires:

Notary Public

County, _____

13



STATE OF TEXAS

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this

7th day of MARCH, 1995 by

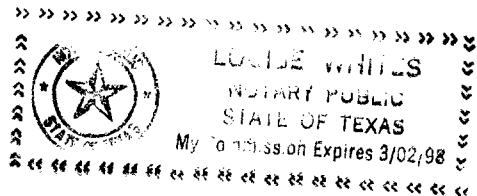
PATRICIA A. NAIL

WITNESS my hand and official seal.

My Commission expires:

County, _____

Louise Whites
Notary Public



INDIVIDUAL

STATE OF Nevada

COUNTY OF Clark

The foregoing instrument was acknowledged before me this

28th day of February, 1995, by
Hylee Dunham

WITNESS my hand and official seal.

Shelly M. Churchill

My Commission expires:

Notary Public

1-6-97

Clark County, Nevada



NOTARY PUBLIC
STATE OF NEVADA
County of Clark
Shelly M. Churchill

My Appointment Expires January 6, 1997

INDIVIDUAL

STATE OF Nevada

COUNTY OF Clark

The foregoing instrument was acknowledged before me this

28 day of February, 1995 by
Irving Roy Decker

WITNESS my hand and official seal.

Shelly M. Churchill

My Commission expires:

Notary Public

1-6-97

Clark County, Nevada



NOTARY PUBLIC
STATE OF NEVADA
County of Clark
Shelly M. Churchill

My Appointment Expires January 6, 1997

INDIVIDUAL

STATE OF TEXAS

COUNTY OF POTTER

The foregoing instrument was acknowledged before me this

13th day of March, 1995, by

Michael D. Leonhart

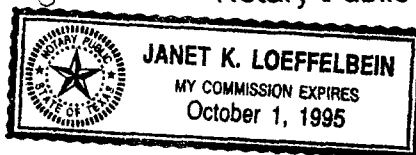
WITNESS my hand and official seal.

My Commission expires:

10-01-95

Potter County, Texas

Janet K. Loeffelbein
Notary Public



INDIVIDUAL

STATE OF TEXAS

COUNTY OF POTTER

The foregoing instrument was acknowledged before me this

13th day of March, 1995, by

Donna L. Leonhart

WITNESS my hand and official seal.

My Commission expires:

10-01-95

Potter County, Texas

Janet K. Loeffelbein
Notary Public



INDIVIDUAL

STATE OF Oklahoma

COUNTY OF Oklahoma

The foregoing instrument was acknowledged before me this

1st day of March, 1995, by

Don. O. Leonhart

WITNESS my hand and official seal.

My Commission expires:

10-7-96

Oklahoma County, Oklahoma

James D. Dille
Notary Public

INDIVIDUAL

STATE OF Oklahoma

COUNTY OF Oklahoma

The foregoing instrument was acknowledged before me this

1st day of March, 1995, by

Winelle A. Leonhart

WITNESS my hand and official seal.

My Commission expires:

10-7-96

Oklahoma County, Oklahoma

James D. Dilley
Notary Public

EXHIBIT "A" <i>B</i>									
SCHEDULE OF OWNERSHIP									
SCHEDULE SHOWING ALL LANDS AND LEASES WITHIN THE NORTH KING CAMP POOL UNIT <i>Anchor Deep Unit</i>									
CHAVES COUNTY, NM									
Participation of Tracts:									
Tract 1: 26.000000%									
Tract 2: 46.000000%									
Tract 3: 28.000000%									
Total: 100.000000%									
Tract NO	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER AND EXPIRATION DATE OF LEASE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD & PERCENTAGE	OVERRIDING ROYALTY PERCENTAGE	WORKING INTEREST	PERCENTAGE	NET REVENUE INTEREST IN POOLED UNIT
RECAPITULATION									
OWNERS OF PRODUCTION			WI % OWNERSHIP		% OWNERSHIP OF PRODUCTION				
U. S. A.			0.00		12.500000				
Hilde Deemar and husband Irving Roy Deemar			0.00		3.390000				
Michael D. Leonhart and wife Donna L. Leonhart			0.00		2.502500				
Don O. Leonhart and wife Winelle A. Leonhart			0.00		0.887500				
Armstrong Energy Company			2.880000		2.332800				
Bearing Service & Supply			1.440000		1.166400				
Robert Beck			3.600000		2.916000				
William M. Boyd			1.440000		1.166400				
Exxon Corporation			36.000000		29.160000				
Cimarron Exploration Company			2.880000		2.332800				
Harrison Leasing			0.720000		0.583200				
Keller & Azar Joint Venture			2.160000		1.749600				
Betty A. McAlpine			0.720000		0.583200				
Maurice Mordka			0.720000		0.583200				
New Mexico Oil Corporation			2.160000		1.749600				
Santa Fe Exploration Company			17.280000		13.996800				
Don Bell, Trustee			0.140000		0.112000				
Clifford Braugrund			0.360000		0.288000				
Brumbaugh Oil, Ltd			0.280000		0.224000				
David Cohen			1.120000		0.896000				
Curry & Thornton			18.631200		14.904960				
Jon Massey, Trustee			2.772000		2.217600				
PetroYates, Inc.			0.688000		0.548800				
Jesus Salazar, Trustee			0.140000		0.112000				
Patricia A. Nail			1.940400		1.552320				
Cheryl M. Surber			1.940400		1.552320				
Total			100.000000		100.000000				

12/05/94

EXHIBIT AA B											
SCHEDULE OF OWNERSHIP											
SCHEDULE SHOWING ALL LANDS AND LEASES											
WITHIN THE NORTH KING CAMP FOOT UNIT											
CHAVES COUNTY, NM											
Anchor Deep Unit											
Participation of Tracts:											
Tract 1: 26.000000%											
Tract 2: 46.000000%											
Tract 3: 28.000000%											
Total: 100.000000%											
Tract NO	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER AND EXPIRATION DATE OF LEASE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD & PERCENTAGE	OVERRIDING ROYALTY	PERCENTAGE	WORKING INTEREST	PERCENTAGE	NET REVENUE INTEREST IN PRODUCTION	WORKING INTEREST IN POOLED UNIT
1	T14S-R29E Section 9: NE	160.00	NMNM-77961 (out of NMNM 68078) 05/31/97	12.500000 U.S.A. - All	Santa Fe Exploration Corp. 50% Exxon Corp. 50%	Hide Deemar and husband Irving Roy Deemar Michael D. Leonhart and wife Donna L. Leonhart Total	3.250000 3.250000 6.500000	Armstrong Energy Company Bearing Service & Supply Robert Beck William M. Boyd Exxon Corporation Cimarron Exploration Company Harrison Leasing Keller & Azar Joint Venture Betty A. McAlpine Maurice Mordka New Mexico Oil Corporation Santa Fe Exploration Company Total	4.000000 2.000000 5.000000 2.000000 50.000000 4.000000 1.000000 3.000000 1.000000 1.000000 3.000000 24.000000 100.000000	0.842400 0.421200 1.053000 0.421200 10.530000 0.842400 0.210600 0.631800 0.210600 0.631800 5.054400 26.000000	1.040000 0.520000 1.300000 0.520000 13.000000 1.040000 0.260000 0.780000 0.260000 0.780000 6.240000 26.000000
2	T14S-R29E Section 9: SE	160.00	NMNM-70602 (out of NMNM68078) HBP	12.500000 U.S.A. - All	Santa Fe Exploration Corp. 50% Exxon Corp. 50%	Hide Deemar and husband Irving Roy Deemar Michael D. Leonhart and wife Donna L. Leonhart Don O. Leonhart and wife Winelle A. Leonhart Total	3.250000 1.625000 1.625000 6.500000	Armstrong Energy Company Bearing Service & Supply Robert Beck William M. Boyd Exxon Corporation Cimarron Exploration Company Harrison Leasing Keller & Azar Joint Venture Betty A. McAlpine Maurice Mordka New Mexico Oil Corporation Santa Fe Exploration Company Total	4.000000 2.000000 5.000000 2.000000 50.000000 4.000000 1.000000 3.000000 1.000000 1.000000 3.000000 24.000000 100.000000	1.490400 0.745200 1.863000 0.745200 18.630000 1.490400 1.117800 0.372600 1.117800 0.372600 1.117800 8.942400 46.000000	1.840000 0.920000 2.300000 0.920000 23.000000 1.840000 1.380000 0.460000 1.380000 0.460000 1.380000 11.040000 46.000000

EXHIBIT "A" <i>B</i>									
SCHEDULE OF OWNERSHIP									
SCHEDULE SHOWING ALL LANDS AND LEASES									
WITHIN THE NORTH KING CAMP POOL UNIT									
CHAVES COUNTY, NM									
<i>Anchor Deep Unit</i>									
Participation of Tracts:									
Tract 1: 26.000000%									
Tract 2: 46.000000%									
Tract 3: 28.000000%									
Total: 100.000000%									
TRACT NO	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER AND EXPIRATION DATE OF LEASE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD & PERCENTAGE	OVERRIDING ROYALTY PERCENTAGE	WORKING INTEREST PERCENTAGE	NET REVENUE INTEREST IN PRODUCTION	WORKING INTEREST IN POOLED UNIT
3	T14S-R29E Section 9: W1/2	320.00	NNMM 68078 HBP	12.500000 U.S.A. - All	<i>Curry & Thornton Inc</i> Don Bell, Trustee Clifford Blaugrund Brumbaugh Oil, Ltd David Cohen Curry & Thornton Jon Massey, Trustee Petro Yates, Inc. Jesus Salazar, Trustee Patricia A. Nail Cheryl M. Surber	Hilde Deemar and husband Irving Roy Deemar Michael D. Leonhart and wife Donna L. Leonhart Don O. Leonhart and wife Winelle A. Leonhart Total	3.750000 3.250000 0.500000 7.500000	3.500000 1.050000 0.910000 0.140000	0.140000 0.350000 0.280000 0.896000 14.904960 2.217600 9.900000 2.548800 0.112000 1.552320 1.940400
Total					100.000000	Total	100.000000	28.000000	28.000000