

AMENDMENT TO OIL, GAS AND MINERAL LEASE

THE STATE OF NEW MEXICO

COUNTY OF LEA

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS, on the 7th day of March, 19 28

Martha E. Laughlin, a widow

as Lessor, made, executed and delivered unto Humble Oil & Refining Company

as Lessee, an oil, gas and mineral lease covering and applying to land located in Lea County, New Mexico, which said lease is of record in Volume 10, Page 458 of the Deed Records for Lea County, New Mexico, and is now in full force and effect and is made a part hereof by reference; and

WHEREAS, said lease is now owned by Humble Oil & Refining Company, a Texas Corporation, and as between the parties hereto it is mutually desirable and advantageous that said lease be amended in the particulars hereinafter set out;

NOW, THEREFORE, in consideration of the premises and of the bonus and rentals heretofore paid under the terms of said lease and of One and No/100 Dollars (\$1.00) cash in hand paid to each party hereto by Humble Oil & Refining Company, and of other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged and confessed by each and all of the parties hereto, the parties hereto do hereby amend said lease by incorporating in said lease the following, to-wit:

"4-a. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease, or any portion thereof as to gas and gas rights, with other land, lease or leases in the immediate vicinity thereof to the extent, hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore or to develop and operate said leased premises in compliance with the spacing and proration rules, regulations, general or special orders of the New Mexico Oil Conservation Commission, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of gas in and under and that may be produced from said premises. Units pooled for gas hereunder shall not substantially exceed in area 160 acres each plus a tolerance of 5% thereof, provided that should any applicable law or regulation permit the creation of units larger than those specified, the same may be created to conform substantially in size to those permitted by any such applicable law or regulation. Lessee under the provisions hereof may pool or combine acreage covered by this lease, or any portion thereof as above provided as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata. The pooling in any one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the lease premises are situated an instrument describing and designating the pooled acreage as a pooled unit. Lessee may at its election exercise its pooling option after commencing operations for or completing a gas well on the leased premises, and the pooled unit may include, but it not required to include, land or leases upon which a well capable of producing gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for gas have theretofore been commenced.