

NET OVERRIDING ROYALTY CONVEYANCE
(San Juan Basin Royalty Trust)

THE STATE OF NEW MEXICO §
COUNTIES OF SAN JUAN, § KNOW ALL MEN BY THESE PRESENTS:
RIO ARRIBA AND SANDOVAL §

THAT, SOUTHLAND ROYALTY COMPANY, a Delaware corporation ("Assignor"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it paid by The Fort Worth National Bank, a bank organized under the laws of the United States, acting not in its individual corporate capacity but solely as trustee under that certain San Juan Basin Royalty Trust Indenture dated as of November 1, 1980 ("Assignee"), the receipt and sufficiency of which are hereby acknowledged, has bargained, sold, granted, conveyed, transferred, assigned, set over and delivered, and by these presents does hereby bargain, sell, grant, convey, transfer, assign, set over and deliver unto Assignee a net overriding royalty interest ("the Royalty Interest") in and to the Minerals in and under, and if, as and when produced, saved and sold from, the Subject Lands during the term of the Subject Interests equal to Seventy-Five percent (75%) of the Net Proceeds attributable to the Subject Interests, as each of the above capitalized words are defined in Article I and all as more fully provided herein.

TO HAVE AND TO HOLD the Royalty Interest, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Assignee, its successors and assigns, subject, however, to the terms and provisions of this Conveyance; and Assignor does by these presents bind and obligate itself, its successors and assigns, to WARRANT and FOREVER defend all and singular the Royalty Interest unto the said Assignee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Assignor, but not otherwise.

ARTICLE I

DEFINITIONS

As herein used the following words, terms or phrases have the following meanings:

SECTION 1.01. "Affiliate" means, as to the party specified, any Person controlling, controlled by or under common control with such party, with the concept of control in such context meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and

EXHIBIT 1

policies of another, whether through the ownership of voting securities, by contract or otherwise.

SECTION 1.02. "Assignor" means the Assignor named herein while it owns all or any part of or interest in the Subject Interests and any other Person or Persons who acquire all or any part of or interest in the Subject Interests.

SECTION 1.03. "Assignee" means the Assignee named herein while it owns all or any part of or interest in the Royalty Interest and any other Person or Persons who acquire legal title to all or any part of or interest in the Royalty Interest.

SECTION 1.04. "Conveyance" means this Net Overriding Royalty Conveyance.

SECTION 1.05. "Effective Date" means 7:00 o'clock A.M., local time in effect at the location of each Subject Interest, on November 1, 1980.

SECTION 1.06. "Excess Production Costs" at any point in time means an amount equal to the excess of Production Costs over Gross Proceeds for the period ending with such point and beginning with the end of the most recent month in which there were Net Proceeds.

SECTION 1.07. "Gross Proceeds" means the amounts received from and after the Effective Date by Assignor from the Sale of Subject Minerals sold after the Effective Date, in the aggregate, subject to the following:

(a) There shall be excluded from Gross Proceeds all general property (ad valorem), production, severance, sales, gathering and windfall profits taxes and other taxes (whether state, federal or otherwise) assessed or levied on or in connection with the Subject Interests, the Royalty Interest or the production therefrom, or against Assignor as owner of the Subject Interests or Assignee as owner of the Royalty Interest, and which taxes are deducted or excluded from proceeds of Sale received by Assignor.

(b) There shall be excluded any amount for Subject Minerals attributable to nonconsent operations conducted with respect to the Subject Interests (or any portion thereof) as to which Assignor shall be a nonconsenting party and which is dedicated to the recoupment or reimbursement of costs and expenses of the consenting party or parties by the terms of the relevant operating agreement, unit agreement, contract for development or other instrument providing for such nonconsent operations, provided Assignor's election not to participate in such

operations is made in conformity with the provisions of Section 6.01 of this Conveyance.

(c) There shall be excluded any amount which Assignor shall receive as any of the following: consideration for transfer or sale of any of the Subject Interests (subject to the Royalty Interest) or equipment or other personal property or fixtures on the Subject Lands; delay rental; shut-in gas well royalty or payment; minimum royalty (to the extent not attributable to actual production of the Subject Minerals); payments for gas not taken, when such payments are made (but to the extent such payments are allocated to gas taken in the future such payments shall be included without interest in Gross Proceeds when such gas is taken); damages arising from any cause other than drainage or reservoir injury; rental for reservoir use; payments made to Assignor in connection with the drilling of any well on any of the Subject Lands or lands in the vicinity (such exclusion including dry and bottom hole payments, provided that if such well is drilled on the Subject Lands and Assignor incurs Production Costs in connection therewith such payments shall reduce Production Costs) or in connection with any adjustment of any well and leasehold equipment upon unitization of any of the Subject Interests; provided there shall be included in Gross Proceeds advance or prepaid payments for future production received by Assignor to the extent not subject to repayment in the event of insufficient subsequent production (and to the extent so subject to repayment shall be included without interest in Gross Proceeds when the Minerals on which such payment was so advanced or prepaid are actually produced) and payments made to Assignor in connection with the deferring of drilling of any well on any of the Subject Lands (including payments from an operator in the vicinity for refraining from drilling an offset well).

(d) There shall be excluded any amount for Subject Minerals lost in the production or marketing thereof or used by Assignor in conformity with ordinary or prudent practices for drilling, production and plant operations (including gas injection, secondary recovery, pressure maintenance, repressuring, cycling operations, plant fuel or shrinkage) conducted for the purpose of drilling for, producing or processing Subject Minerals or for operations on any unit or plant to which the Subject Interests are committed, but only so long as such Subject Minerals are so used.

(e) Amounts received as a loan by Assignor from a purchaser of Subject Minerals, whether with or without

interest, shall not be considered to be derived from the sale of Subject Minerals, provided that the related Sales Contract meets the requirements of Section 4.01 hereof.

(f) So long as and to the extent that the same may be required by applicable laws and regulations, in the case of any Subject Interest derived under a lease from the United States of America from which the average production of oil per well per day averaged on the monthly basis is 15 barrels or less, the obligation to pay and the right of Assignee to receive the proceeds of oil produced from such lease shall be suspended until said average production of oil per well per day exceeds said minimum amount, and such suspension shall apply separately to any zone or portion of such lease segregated for computing government royalties.

(g) If a controversy or possible controversy exists (whether by reason of any statute, order, decree, rule, regulation, contract or otherwise) between Assignor and any purchaser as to the correct sales price of any Subject Mineral or, for any other reason, as to Assignor's right to receive or collect the proceeds of sale of any Subject Minerals, then

(i) amounts withheld by the purchaser or deposited by it with an escrow agent shall not be considered to be received by Assignor until actually collected by Assignor, but the amounts received by Assignor shall include any interest, penalty or other amount paid to Assignor in respect thereof;

(ii) amounts received by Assignor and promptly deposited by it with an escrow agent shall not be considered to have been received by Assignor, but all amounts thereafter paid to Assignor by such escrow agent shall be considered to be amounts received from the sale of Subject Minerals; and

(iii) amounts received by Assignor and not deposited with an escrow agent shall be considered to be received for purposes of this Section 1.07.

(h) Assignor shall have the right to contest the amount of the windfall profits tax alleged to be due on proceeds included in Gross Proceeds and to seek refunds thereof. In the event any amounts are required to be paid because of any deficiency in prior payment of windfall profits tax for periods after the Effective Date, the amounts so paid shall be included in Production Costs as paid.

SECTION 1.08. "Minerals" means oil, gas and all other minerals produced in association with oil or gas, but excluding all other minerals, whether similar or dissimilar.

SECTION 1.09. "Monthly Record Date" for each month means the close of business on the last day of such month which is not a Saturday, Sunday or other day on which national banking institutions in the City of Fort Worth, Texas, are closed as authorized or required by law, unless Assignee determines that a later date is required to comply with applicable law or the rules of an exchange pursuant to the terms of the San Juan Basin Royalty Trust Indenture referred to above.

SECTION 1.10. "Net Proceeds" for any period means the excess of Gross Proceeds realized during such period over the sum of (a) Production Costs incurred during such period and (b) Excess Production Costs as of the end of the immediately preceding period.

SECTION 1.11. "Non-Affiliate" means, as to the party specified, any Person who is not an Affiliate of such party.

SECTION 1.12. "Person" means any individual, corporation, partnership, trust, estate or other entity, organization or association.

SECTION 1.13. "Prime Interest Rate" means the interest rate per annum charged by Morgan Guaranty Bank of New York on ninety day loans to its most substantial and responsible commercial borrowers.

SECTION 1.14. "Processing Costs" means the costs to Assignor of manufacturing, refining or processing (all herein referred to as "processing") gas and casinghead gas included in the Subject Minerals before the Sale thereof, which costs for purposes hereof shall consist of

(a) the sum of (i) any such processing charges paid to Non-Affiliates and (ii) the expenses (including depreciation but otherwise not including capital costs) incurred by Assignor or its Affiliate in processing such Subject Minerals plus an amount equal to a return of 15% on the depreciated book value of the fixed assets used in such processing (for which purpose of computing depreciation and the return on depreciated book value the value of fixed assets owned by Assignor will be their book value as of the date first used in processing Subject Minerals), or

(b) if greater, the amount allowed as processing charges by any Federal or State agency having jurisdiction over the sale of such Subject Minerals.

If Assignor or an Affiliate receives a share of the production of others or of plant products therefrom (or proceeds of sale thereof) for processing such production of others, such share shall not be included in Subject Minerals (or Gross Proceeds). If Assignor or an Affiliate does not bear any processing costs but the owners or operators of a plant receive a share of the Subject Minerals (or proceeds of sale thereof) for processing them, such share (or proceeds) shall be excluded from the Subject Minerals (and Gross Proceeds).

SECTION 1.15. "Production Costs" means, on an accrual accounting method and accruing with respect to the following from and after the Effective Date, and whether capital or non-capital in nature,

(a) the sum of

(i) all amounts borne by Assignor as any of the following: royalty; overriding royalty or other presently existing burden against production or the proceeds of sale of production attributable to the Subject Interests; delay rental; shut-in gas well royalty or payment; minimum royalty; payments to lessors or others in the area in connection with the drilling or deferring of drilling of any well on any of the Subject Lands or lands in the vicinity (including dry and bottom hole payments and payments made to others for refraining from drilling an offset well) or in connection with any adjustment of an well and leasehold equipment upon unitization of any of the Subject Interests; and rent and other consideration paid for use of or damage to the surface;

(ii) all general property (ad valorem), production, severance, sales, gathering and windfall profits taxes and other taxes (whether state, federal or otherwise), except income taxes, assessed or levied on or in connection with the Subject Interests, the Royalty Interest or the production therefrom or equipment on the Subject Lands, or against Assignor as owner of the Subject Interests or Assignee as owner of the Royalty Interest, and which taxes are paid by Assignor, and any income tax on the Royalty Interest paid by Assignor;

(iii) the aggregate costs incurred by Assignor under any joint operating agreement applicable to the Subject Interests to which Assignor and one or more Non-Affiliates are parties;

(iv) The aggregate costs incurred by Assignor under Schedule B attached hereto with respect to any Subject Interest not subject to a joint operating agreement between Assignor and a Non-Affiliate.

(v) all other costs, expenses and liabilities of investigating, exploring, prospecting, drilling and mining for, operating and producing Subject Minerals and sale and marketing thereof, including without implied limitation: costs of equipping, plugging back, reworking, completing, recompleting and plugging and abandoning of any well on the Subject Lands and of making the Subject Minerals ready or available for market; the cost of construction of gathering lines, tanks, transmission lines, meters and other production and delivery facilities and of transporting, compressing, dehydrating, separating, treating, storing and marketing the Subject Minerals; the cost of secondary recovery, pressure maintenance, repressuring, cycling and other operations conducted for the purpose of enhancing production; and the cost of litigation concerning title to or operation of the Subject Interests and any other acts or omissions of Assignor consistent herewith or brought by Assignor to protect the Subject Interests;

(vi) Processing Costs;

(vii) interest accrued during any month in which there were Excess Production Costs computed at the Prime Interest Rate in effect at the end of such period on the amount of Excess Production costs at the end of such period;

(viii) the costs of the audits furnished pursuant to Section 2.06 hereof;

(ix) any amounts paid by Assignor, whether as refund, interest or penalty, to a purchaser because the amount initially received by Assignor as sales price was more or allegedly more than permitted by the terms of any applicable contract, statute, regulation, order, decree or other obligation;

(x) any other amounts paid by Assignor with respect to the Subject Interests or operation thereof or sale of production therefrom, whether as refund, fine, interest or penalty, pursuant to litigation or settlement of threatened litigation or order of governmental agency, provided that Assignor has not breached Section 6.01 hereof; and

(xi) all consideration hereafter paid and costs and expenses hereafter incurred by Assignor for any renewals or extensions of leases or other rights hereafter acquired which are included in the definition herein of Subject Interests;

(b) but excluding

(i) costs which would otherwise be treated as Production Costs but which shall not be so treated for purposes hereof (until the following amounts have been fully credited against such costs) equal to amounts reimbursed or credited to Assignor by insurance from damage to property, by sales of property or transfers of property off the leases included in the Subject Interests or by proceeds from unitization or other disposition of property;

(ii) the costs incurred in drilling a well to a lower depth than that to which the Subject Interests are by the definition below limited unless the well is ultimately completed as a producer within the depths included in the Subject Interests and is not completed as a producer below such depths and, even in such event, the cost of drilling below such depths (as allocated by Assignor) shall be excluded; and

(iii) any amounts which would otherwise be Production Costs but which are attributable to periods before the Effective Date.

SECTION 1.16. "Sale" includes exchanges and other dispositions for value.

SECTION 1.17. "Sales Contracts" means all contracts and agreements for the offer or sale of, or commitment to offer or sell, or right of first refusal to purchase, Subject Minerals.

SECTION 1.18. "Subject Interests" means each kind and character of right, title, claim or interest which Assignor has on the Effective Date in the oil, gas or mineral leases, mineral interests, royalty interests and overriding royalty interests and the unitization and pooling agreements and the units created thereby which are described in Schedule A, and all the right, title, claim or interest which Assignor has on the Effective Date in and to the Subject Lands, whether such right, title, claim or interest be under and by virtue of a lease, a mineral deed or reservation, a royalty deed or reservation, an overriding royalty assignment or reservation, a unitization or pooling agreement, a unitization or pooling order, an operating agreement, a division order, a transfer order or any other type of contract, conveyance or instrument or under any other type of claim or title, legal or equitable, recorded or unrecorded, even though Assignor's interests be incorrectly or incompletely described in, or a description thereof be omitted from, Schedule A, all as the same shall be enlarged by the discharge of any payments out of production or by the removal of any charges or encumbrances to which any of the same are subject and

any and all renewals and extensions of any of the same, but subject to all burdens to which Assignor's such right, title, claim or interest is subject (while same remains so subject), limited, however, as follows: (i) limited to the depths to which the definition below of "Subject Lands" is limited, (ii) limited, as to duration, with respect to each Subject Interest which is a mineral interest subject on the Effective Date to an oil and gas lease (or oil, gas and mineral lease), whether or not owned in whole or in part by Assignor, or which is a royalty interest as to which the underlying mineral estate is subject to such a lease, to the life of that lease or any renewal or extension thereof (so that if a lease in force on the Effective Date should terminate in whole or in part for any reason and not be renewed or extended then such Subject Interest, to the extent same, or the underlying mineral estate in same, is no longer subject to such lease, shall no longer be subject to this Conveyance and the rights, titles and interests therein hereby conveyed shall revert to Assignor without necessity of written proof so evidencing) and (iii) limited, if Assignor's interest in any Subject Interest should terminate sooner than the reversion provided in the foregoing (ii), to the period to which Assignor's interest in such Subject Interest is limited. There shall be excluded from the term "Subject Interests" any interest hereafter acquired by Assignor in and to any of the Subject Lands, except any interest acquired pursuant to existing agreements for no new consideration and renewals or extensions of leases. For purposes of this Conveyance "renewals or extensions" of any lease shall be limited to renewals or extensions of an existing lease obtained by the present owner thereof (or such owner's successors in interest) while such lease is in force or within six months after such lease terminates. Assignor shall be under no duty to seek renewals or extensions of any lease.

SECTION 1.19. "Subject Lands" means the lands which are described in or which are subject to the oil, gas and mineral leases, mineral deeds, royalty deeds, assignments and other instruments described in Schedule A attached hereto from the surface of such lands to the base of the "Basin-Dakota Gas Pool" as defined in Rule 25 of Order No. R-1670-C (as amended to the date hereof) issued by the New Mexico Oil Conservation Commission, provided that if Assignor's ownership rights in any such lands are presently limited to depths shallower than such depth the "Subject Lands" shall likewise be subject to such limitation and provided further that where the description in Schedule A excepts land or refers to an instrument insofar only as it covers certain land, no interest in such excepted land or in land other than to which such reference is limited shall be included in the terms "Subject Lands" or "Subject Interests".

SECTION 1.20. "Subject Minerals" means all Minerals in and under, and which may be produced, saved and sold from, and which shall accrue and be attributable to, the Subject Interests, including plant products attributable thereto from

processing gas or casinghead gas included in the Subject Minerals before sale thereof (but not including products derived from processing oil).

ARTICLE II

RECORDS AND REPORTS

SECTION 2.01. Books and Records. Assignor shall at all times maintain true and correct books and records sufficient to determine the amounts payable to Assignee hereunder, including, but not limited to, a Net Proceeds account to which Gross Proceeds and Production Costs are credited and charged.

SECTION 2.02. Inspections. The books and records referred to in Section 2.01 shall be open for inspection at the office of Assignor during normal business hours.

SECTION 2.03. Quarterly Statements. Within thirty (30) days next following the close of each calendar quarter, Assignor shall deliver to Assignee a statement showing the computation of Net Proceeds attributable to such quarter.

SECTION 2.04 Assignee's Exceptions to Quarterly Statements. If Assignee shall take exception to any item or items included in the quarterly statements rendered by Assignor, Assignee shall notify Assignor in writing within 180 days after the receipt of the report and annual audit furnished pursuant to Section 2.06 hereof, setting forth in such notice the specific charges complained of and to which exception is taken or the specific credits which should have been made and allowed; and, with respect to such complaints and exceptions as are justified, adjustment shall be made. If Assignee shall fail to give Assignor notice of such complaints and exceptions prior to the expiration of such 180 day period, then the statements for such calendar year as originally rendered by Assignor shall be deemed to be correct as rendered.

SECTION 2.05. Geological Data. Upon request Assignor shall, subject to the limitations of confidentiality undertakings with co-owners or other third parties, furnish to Assignee access to all geological, well and production data which Assignor has on hand relating to operations on the Subject Interests. Assignor shall also furnish to Assignee quarterly reports showing the status of development, producing and other operations conducted by Assignor on the Subject Interests. All information furnished to Assignee pursuant to this section is confidential and for the sole benefit of Assignee and shall not be shown by Assignee to any other Person.

SECTION 2.06. Annual Audits and Reports. Within 90 days after the end of the calendar year, Assignor shall deliver to Assignee a statement which has been audited by a nationally recognized firm of independent public accountants selected by

Assignor, which shall show the information provided for in Section 2.03 on an annual basis.

ARTICLE III

PAYMENT

SECTION 3.01. Payment. On or before the Monthly Record Date, Assignor shall pay to Assignee as a royalty and overriding royalty hereunder an amount equal to Seventy-Five percent (75%) of the Net Proceeds for the preceding month. On December 31, 1980, Assignor shall pay to Assignee as an advance royalty the sum of \$1,000,000. Such amount shall be subtracted from the amounts otherwise payable under this Section with respect to future periods.

SECTION 3.02. Interest on Past Due Payments. Any amount not paid by Assignor to Assignee when due shall bear, and Assignor will pay, interest at the rate of four percentage points over the Prime Interest Rate, determined at the end of each month, from such due date until such amount is paid, but not in excess of the maximum amount allowed by law.

SECTION 3.03. Overpayment. If at any time Assignor inadvertently pays Assignee more than the amount due, Assignee shall not be obligated to return any such overpayment, but the amount or amounts otherwise payable to Assignee for any subsequent period or periods shall be reduced by such overpayment plus an amount equal to interest computed at 120% of the weighted average Prime Interest Rate in effect during the period of such overpayment.

ARTICLE IV

MARKETING OF SUBJECT MINERALS

SECTION 4.01. Sales Contracts. Assignor, to the extent it has the right to do so, shall market or cause to be marketed the Subject Minerals. For such purpose, sales of Subject Minerals may continue to be made pursuant to existing Sales Contracts. Assignor may amend such existing Sales Contracts and may enter into one or more Sales Contracts in the future at the best prices and on the best terms Assignor shall deem reasonably obtainable in the circumstances. Gross Proceeds of Subject Minerals subject to Sales Contracts shall be determined on the basis of amounts actually received by Assignor from sales under the Sales Contracts regardless of whether at the time of production or sale market value should be different from proceeds of sale.

SECTION 4.02. Performance of Sales Contracts. Assignor will duly perform all obligations binding on it under all Sales Contracts in accordance with the terms thereof and will take all

appropriate and reasonable measures to enforce the performance under each of the Sales Contracts of the obligations of the purchaser thereunder. All Subject Minerals sold by Assignor, whether pursuant to Sales Contracts or otherwise, shall be delivered by Assignor to the purchasers thereof, into the pipelines to which the wells producing such Subject Minerals may be connected or to such other point of purchase as is reasonably required in the marketing of such Subject Minerals.

SECTION 4.03. Reliance by Third Party. As to any party, the acts of Assignor shall be binding on Assignee. It shall not be necessary for Assignee to join with Assignor in any division or transfer order or any Sales Contract, and proceeds of sale of the Subject Minerals shall be paid by the purchasers thereof (or others disbursing proceeds) directly to Assignor without necessity of joinder by or consent of Assignee.

ARTICLE V

NON-LIABILITY OF ASSIGNEE

In no event shall Assignee be liable or responsible in any way for any Production Costs or other costs or liabilities incurred by Assignor or others attributable to the Subject Interests or to the Minerals produced therefrom.

ARTICLE VI

OPERATION OF SUBJECT INTERESTS

SECTION 6.01. Prudent Operator Standard. Assignor agrees, to the extent it has the legal right to do so under the terms of any lease, operating agreement, unit operating agreement, contract for development or similar instrument affecting or pertaining to the Subject Interests (or any portion thereof), that it will conduct and carry on the maintenance and operation of the Subject Interests with reasonable and prudent business judgment and in accordance with good oil and gas field practices, and that it will drill such wells as a reasonably prudent operator would drill from time to time in order to protect them from drainage. However, nothing contained in this Section 6.01 shall be deemed to prevent or restrict Assignor from electing not to participate in any operation which is to be conducted under the terms of any operating agreement, unit operating agreement, contract for development or similar instrument affecting or pertaining to the Subject Interests (or any portion thereof) and allowing consenting parties to conduct nonconsent operations thereon, if such election is made by Assignor in good faith. Notwithstanding anything elsewhere herein to the contrary, Assignor shall never be liable to Assignee for the manner in which Assignor performs its duties hereunder as long as Assignor has acted in good faith.

SECTION 6.02. Abandonment of Properties. Nothing herein contained shall obligate Assignor to continue to operate any well or to operate or maintain in force or attempt to maintain in force any of the Subject Interests when, in Assignor's opinion, such well or Subject Interest ceases to produce or is not capable of producing oil or gas in paying quantities. The expiration of a Subject Interest in accordance with the terms and conditions applicable thereto shall not be considered to be a voluntary surrender or abandonment thereof.

SECTION 6.03. Insurance. Although Assignor is permitted to carry policies of insurance covering the property upon the Subject Interests and risks incident to the operation thereof and to charge premiums therefor to the Net Proceeds account, Assignor shall not be required to carry insurance on such property or covering any of such risks unless it elects so to do. In no event shall Assignor be liable to Assignee on account of any losses sustained which are not covered by insurance.

ARTICLE VII

UNITIZATION

SECTION 7.01. Pooled Subject Interests. Certain of the Subject Interests may have been heretofore pooled and unitized for the production of Minerals. Such Subject Interests are and shall be subject to the terms and provisions of such pooling and unitization agreements, and the Royalty Interest in each such Subject Interest shall apply to and affect only the production from such units which accrues to such Subject Interest under and by virtue of the applicable pooling and unitization agreements.

SECTION 7.02. Right to Pool and Process. Assignor shall have the right and power, exercisable only during the period provided in Section 7.03 hereof, (a) to pool and unitize any of the Subject Interests and to alter, change or amend or terminate any pooling or unitization agreements heretofore or hereafter entered into, as to all or any part of the land covered hereby, as to any one or more of the formations or horizons hereunder, and as to any one or more Minerals, upon such terms and provisions as Assignor shall in its sole discretion determine, and (b) to commit any of the Subject Interests (including the Royalty Interest attributable thereto) to an agreement for processing same (pursuant to which, by way of example and not by way of limitation, the plant owner or operator receives a portion of the Subject Minerals or plant products therefrom or proceeds of the sale thereof as a fee for processing). If and whenever through the exercise of such right and power, or pursuant to any law hereafter enacted or any rule, regulation or order of any governmental body or official hereafter promulgated, any of the Subject Interests are pooled or unitized in any manner, the Royalty Interest insofar as it affects such Subject Interest shall also be pooled and unitized, and in any

such event such Royalty Interest in such Subject Interest shall apply to and affect only the production which accrues to such Subject Interest under and by virtue of the pooling and unitization.

SECTION 7.03. Applicable Period. Assignor's power and rights in Section 7.02 shall be exercisable only during the period of the life of the last survivor of the descendants of the signers of the Declaration of Independence living on the date of execution hereof, plus twenty-one (21) years after the death of such last survivor, or the term of this Conveyance, whichever period shall first expire.

ARTICLE VIII

GOVERNMENT REGULATION

All obligations of Assignor hereunder shall be subject to all applicable provisions of the Emergency Petroleum Allocation Act of 1973, the Department of Energy Organization Act, the Natural Gas Act, the Natural Gas Policy Act of 1978 and each other statute purporting to provide regulation of the sale of Minerals or establishing maximum prices at which the same may be sold and all applicable laws, orders, rules and regulations thereunder of the Federal Energy Regulatory Commission, the Department of Energy and each other legislative or governmental body, agency, board or commission having jurisdiction. Rates permitted under the Natural Gas Act, the Natural Gas Policy Act of 1978, the Emergency Petroleum Allocation Act of 1973 and each such other statute and the rules and regulations thereunder to be paid for the Subject Minerals shall be controlling if lower than prices established in Sales Contracts. Assignor shall be entitled to use its reasonable discretion in making filings, for itself and on behalf of Assignee, with the Federal Energy Regulatory Commission, the Department of Energy or any other governmental body, agency, board or commission having jurisdiction, affecting the price or prices at which Subject Minerals may be sold, and with purchasers of production, operators or others with respect to the windfall profits tax.

ARTICLE IX

ASSIGNMENTS

SECTION 9.01. Assignment by Assignor. Assignor shall have the right to assign, sell, transfer, convey, mortgage or pledge the Subject Interests, or any part thereof, subject to the Royalty Interest and the terms and provisions of this Conveyance. From and after the effective date of any such assignment, sale, transfer or conveyance by Assignor, the assignee thereunder shall succeed to all the requirements upon and responsibilities of Assignor hereunder, as to the interests

so acquired by such assignee, and, from and after the said effective date, Assignor shall be relieved of such requirements and responsibilities, excepting only those accrued or due for performance prior to such effective date.

SECTION 9.02. Partial Assignment. If Assignor assigns its interest under the Subject Interests as to some of such Subject Interests or as to some part thereof, then, effective as of the date of such assignment, in determining the Royalty Interest payable with respect to production from such assigned Subject Interests or parts thereof, the Gross Proceeds, Production Costs and Net Proceeds attributable to such assigned interests will be computed and determined by the assignee of such assigned interests in the aggregate as to the assigned interests owned by such assignee, but separate from and not aggregated with the computation and determination made by Assignor as to unassigned interests.

SECTION 9.03. Assignment by Assignee. Assignee has the right to assign the Royalty Interest in whole or in part, but (with respect to the assignee named herein) only as authorized by the San Juan Basin Royalty Trust Indenture referred to above. However, no such assignment will affect the method of computing Net Proceeds, and if more than one Person becomes entitled to participate in the Royalty Interest, Assignor may withhold from such other Person payments to which such Person would otherwise be entitled hereunder and the furnishing of any data or information which Assignor is required by the terms hereof to furnish Assignee until Assignor is furnished a recordable instrument executed by or binding upon all Persons interested in the Royalty Interest designating one Person who is to receive such payments, data and information. In making conveyances or assignments of any of the Subject Interests (to the extent permitted hereunder), Assignee need not vest in its grantee or assignee all of the rights of Assignee hereunder with respect to the interest in the Subject Interests so conveyed or assigned.

SECTION 9.04. Change in Ownership. No change of ownership or right to receive payment of the Royalty Interest, or of any part thereof, however accomplished, shall be binding upon Assignor until notice thereof shall have been furnished by the Person claiming the benefit thereof, and then only with respect to payments thereafter made. Notice of sale or assignment shall consist of a certified copy of the recorded instrument accomplishing the same; notice of change of ownership or right to receive payment accomplished in any other manner (for example by reason of incapacity, death or dissolution) shall consist of certified copies of recorded documents and complete proceedings legally binding and conclusive of the rights of all parties. Until such notice shall have been furnished Assignor as above provided, the payment or tender of

all sums payable on the Royalty Interest may be made in the manner provided herein precisely as if no such change in interest or ownership or right to receive payment had occurred. The kind of notice herein provided shall be exclusive, and no other kind, whether actual or constructive, shall be binding on Assignor.

SECTION 9.05. Rights of Mortgagee or Trustee. If Assignee shall at any time execute a mortgage or deed of trust covering all or part of the Royalty Interest, the mortgagee(s) or trustee(s) therein named or the holder of any obligation secured thereby shall be entitled, to the extent such mortgage or deed of trust so provides, to exercise all the rights, remedies, powers and privileges conferred upon Assignee by the terms of this Conveyance and to give or withhold all consents required to be obtained hereunder by Assignee, but the provisions of this Section 9.05 shall in no way be deemed or construed to impose upon Assignor any obligation or liability undertaken by Assignee under such mortgage or deed of trust or under the obligation secured thereby.

ARTICLE X

MISCELLANEOUS

SECTION 10.01. Proportionate Reduction. In the event of failure or deficiency in title to any of the Subject Interests, the portion of the production from such Subject Interest out of which the Royalty Interest attributable to such Subject Interest shall be payable shall be reduced in the same proportion that such Subject Interest is reduced.

SECTION 10.02. Term. Subject to the limitations stated in Section 1.18 hereof, this Conveyance shall remain in force so long as any of the Subject Interests are in effect.

SECTION 10.03. Further Assurances. Should any additional instruments of assignment and conveyance be required to describe more specifically any interests subject hereto, Assignor agrees to execute and deliver the same. Also, if any other or additional instruments are required in connection with the transfer of State, Federal or Indian lease interests in order to comply with applicable laws, regulations or agreements, Assignor will execute and deliver the same.

SECTION 10.04. Notices. All notices, statements, payments and communications between the parties hereto shall be deemed to have been sufficiently given and delivered if enclosed in a post paid wrapper and deposited in the United States Mails directed, or if personally delivered, to the party to whom the same is directed or to be furnished or made at the respective addresses, as follows:

Southland Royalty Company
1000 Fort Worth Club Tower
Fort Worth, Texas 76102

Attention: Treasurer

The Fort Worth National Bank
Post Office Box 2050
Fort Worth, Texas 76101

Attention: Trust Department

Either party or the successors or assignees of the interest or rights or obligations of either party hereunder may change its address or designate a new or different address or addresses for the purposes hereof by a similar notice given or directed to all parties interested hereunder at the time.

SECTION 10.05. Binding Effect. This Conveyance shall bind and inure to the benefit of the successors and assigns of Assignor and Assignee.

SECTION 10.06. Governing Law. The validity, effect and construction of this Conveyance shall be governed by the law of the State of New Mexico.

SECTION 10.07. Headings. Article and Section headings used in this Conveyance are for convenience only and shall not affect the construction of this Conveyance.

SECTION 10.08. Substitution of Warranty. This instrument is made with full substitution and subrogation of Assignee in and to all covenants of warranty by others heretofore given or made with respect to the Subject Interests or any part thereof or interest therein.

SECTION 10.09 Counterpart Execution. This Conveyance may be executed in multiple counterparts, each of which shall be an original. Certain counterparts may have descriptions relating to different recording jurisdictions omitted from Schedule A. A counterpart with all such descriptions is being filed for record in San Juan County, New Mexico.

IN WITNESS WHEREOF, each of the parties hereto has caused this agreement to be executed in its name and behalf and its corporate

seal to be affixed hereto and attested by its proper signatory officers thereunto duly authorized, as of November 1, 1980.

ATTEST:

Lucy W. Lowry
Lucy W. Lowry, Secretary

SOUTHLAND ROYALTY COMPANY

By Alton C. Goodrich
Alton C. Goodrich
Executive Vice President

ATTEST:

Palmer S. Haffner, Jr.
Palmer S. Haffner, Jr.
Trust Officer

The Fort Worth National Bank
acting not in its individual capacity but solely as the Trustee of the San Juan Basin Royalty Trust

By Bruce Petty
Bruce Petty
Executive Vice President and
Trust Officer

THE STATE OF TEXAS §

COUNTY OF TARRANT §

The foregoing instrument was acknowledged before me this third day of November, 1980 by ALTON C. GOODRICH, Executive Vice President of Southland Royalty Company, a corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the third day of November, 1980.

Diana Marsh
Notary Public in and for Tarrant
County, Texas

My Commission Expires:

December 31, 1980

THE STATE OF TEXAS §

COUNTY OF TARRANT §

The foregoing instrument was acknowledged before me this third day of November, 1980 by BRUCE PETTY, Executive Vice President and Trust Officer of The Fort Worth National Bank, a banking association organized under the laws of the United States, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the third day of November, 1980.

Diana Marsh
Notary Public in and for Tarrant
County, Texas

My Commission Expires:

December 31, 1980

8-7-80 10-6-80 10-23-80

BN 55716 B

ORGANIZED UNDER THE LAWS
OF THE STATE OF TEXAS

THIS CERTIFICATE
OF BENEFICIAL INTEREST
IS TRANSFERABLE IN THE CITIES
OF NEW YORK CITY, NEW YORK
OR FORT WORTH, TEXAS



SEE REVERSE FOR
MANDATORY DIVESTITURE
PROVISIONS AND CERTAIN
DEFINITIONS

NUMBER

UNITS

CERTIFICATE FOR UNITS OF BENEFICIAL INTEREST IN

SAN JUAN BASIN ROYALTY TRUST

TOTAL UNITS OF BENEFICIAL INTEREST
CREATED BY, ISSUED UNDER, AND SUBJECT TO THE TRUST INDENTURE DATED AS OF NOVEMBER 1, 1980 FOR THE SAN JUAN BASIN ROYALTY TRUST

THIS CERTIFIES THAT

CUSIP

IS THE OWNER OF

UNITS

FULLY PAID AND NON-ASSESSABLE

A Beneficial Interest (Units) in the certain Trust hereby represented by the San Juan Basin Royalty Trust, created and established under the terms of the above referenced Trust Indenture, signed between Southport Royalty Company, a Delaware corporation having its principal office in Fort Worth, Texas, as Trustor, and The Fort Worth National Bank (Fort Worth, Texas), a banking association organized under the laws of the United States with its principal office in Fort Worth, Texas, as Trustee, and the original of which Trust Indenture is for the information of all concerned, held by said Trustee at its principal office in Fort Worth, Texas. Said Trust Indenture is hereby referred to and incorporated as a part of this Certificate for all purposes, and the owner of this Certificate by accepting same consents to and becomes bound by all the terms and provisions of said Trust Indenture and the provisions herein. The Units represented by this Certificate are transferable on the books of the Trustee by the holder hereof in person or by duly authorized attorney, upon surrender of this Certificate, properly endorsed to the Trustee. This Certificate shall not be valid until countersigned and registered by the Transfer Agent and Registrar. Witness the seal of the Trustee and the signatures of the duly authorized officers of the Trustee.

Dated

COUNTERSIGNED AND REGISTERED:
THE FORT WORTH NATIONAL BANK
(FORT WORTH, TEXAS)

THE FORT WORTH NATIONAL BANK,

AS TRUSTEE

BY

TRANSFER AGENT
AND REGISTRAR

BY

AUTHORIZED SIGNATURE

AUTHORIZED OFFICER

AUTHORIZED OFFICER



SAN JUAN BASIN ROYALTY TRUST

SCHEDULE 1

Pursuant to Section 3.15 of the Trust Indenture, the Trustee may require mandatory divestiture of a Unit-holder's Units in the Trust in the event that the Trust or the Trustee is named in certain proceedings which seek the cancellation or forfeiture of any property of the Trust due to the nationality or other status of such Unit-holder. See Section 3.15 of the Indenture for complete details.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common

TEN ENT—as tenants by the entireties

JT TEN —as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT— (Cust) (Minor) under Uniform Gifts to Minors Act (State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For Value Received _____ *hereby sell, assign and transfer unto*

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

Please print or typewrite name and address of assignee

_____ *Units of Beneficial Interest*
represented by the within Certificate, and do hereby constitute and appoint irrevocably

_____ *Attorney*
to transfer the said Units on the books of the within named
Trustee, with full power of substitution in the premises.

Dated _____

NOTICE — The signature to this assignment must correspond with the name as written upon the face of the Certificate, in every particular, without alteration or enlargement, or any change whatever.

SECURITY-COLUMBIAN BANKNOTE COMPANY
P. O. BOX 7869, PHILA. 1, PENNA. SHERWOOD 8-2400
PROOF OF SEPT. 22, 1980
ORDER No. BN 55715

SCHEDULE 2

TRUSTEE COMPENSATION

A. Administrative Fee.

For all administrative services, preparation of quarterly and annual statements with attention to tax and legal matters:

1. 1/20 of 1% of the first \$100 million of the annual gross revenue of the Trust, and 1/30 of 1% of the annual gross revenue of the Trust in excess of \$100 million.
2. Trustee's standard hourly rates for time in excess of 300 hours annually.

B. Transfer Agency Fee.

1. \$4.92 annually per Unit Holder account for maintaining computer records of each Unit Holder, name and address of record, tax identification number, outstanding Unit balances, alternative payee, various coded fields of pertinent information; for processing change of address and tax identification numbers; posting each Certificate cancelled or issued; issuance of 10,000 Certificates; processing request and documentation required for replacement of lost or destroyed Certificates; for placing and/or removing stop transfer orders; registering Certificates; disbursing the Monthly Distribution Amounts; preparing and mailing required Internal Revenue Service forms; mailing of proxies and other related material; tabulation of proxies; and maintenance and printing of Unit Holder list.

2. For Certificates issued, registered and posted in excess of 10,000 annually, \$1.00 for each Certificate.

3. The transfer agency fees stated above will be subject to escalation based upon the general rise in prices in the economy. The index used will be the Producers Price Index as published by the United States Department of Labor, Bureau of Labor Statistics or such equivalent index as may be published from time to time. All transfer agency fees will be adjusted annually by the percentage rise in this index on a December-to-December basis beginning December 31, 1981.

C. Termination Fee.

A fee will be charged upon termination of the Trust commensurate with the amount of work and responsibility involved which shall not exceed 10% of the proceeds received and distributed in connection with the termination liquidation; provided that termination is accomplished under Article 9.02(a) of the Trust Indenture. Under any other method of termination, fees will be charged on an hourly basis only.

D. Invested Funds.

To the extent consistent with the Trust Indenture and applicable statutes and regulations, funds held by the Trustee will be invested after receipt thereof until the next succeeding Distribution Date in such investments as are permitted by the Trust Indenture and the income so earned will be disbursed to the Unit Holders in accordance with the provisions of the Trust Indenture.

After funds are disbursed on the Distribution Date, an analysis will be made by the Trustee of the disbursement account or accounts and a credit for funds as calculated under the practice as it exists in the Trustee bank at the time and, from time to time, will be applied to reduce the administrative fee described in paragraph A above charged by the Trustee at the next administrative fee payment date. In no event shall the credit exceed the administrative fee.

PREFACE TO SCHEDULE A
TO
NET OVERRIDING ROYALTY CONVEYANCE
(SAN JUAN BASIN ROYALTY TRUST)
FROM
SOUTHLAND ROYALTY COMPANY
TO
THE FORT WORTH NATIONAL BANK
TRUSTEE UNDER THE SAN JUAN BASIN ROYALTY TRUST INDENTURE
DATED EFFECTIVE NOVEMBER 1, 1980

This Schedule A contains and comprises the specific descriptions of the Subject Interests and Subject Lands as referred to in Sections 1.18 and 1.19, respectively, of this Net Overriding Royalty Conveyance.

The recitations in the specific descriptions that certain of the interests are subject to specifically described agreements or other instruments, shall not operate to subject any such interest to any such agreement or other instrument except to the extent that such agreement or other instrument is valid and presently subsisting with respect to and binding on such interest; nor shall the reference to any such agreement or other instrument be deemed to constitute a recognition by the parties that any such agreement or other instrument is valid except to the extent that such agreement or other instrument is presently in force and effect.

This conveyance is subject to valid and presently subsisting easements and rights of way, either of record or on the ground, affecting the Subject Interests.

All recording references contained in this Schedule A refer to the official records of the county clerk of the county in which the particular property is situated.

The notations appearing in the upper part of the description pages in this Schedule A (generally a number following the prefix "SRC #") and the numbers appearing in the left margin of such description pages are internal identification numbers solely for the convenience of the parties hereto and such notations do not constitute a part of the descriptions.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20233

Oil and Gas Lease (Serial SF 075794) dated November 1, 1971 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 11 West, N.M.P.M.

Section 22: SW 1/4 NW 1/4

Section 23: NE 1/4, E 1/2 SE 1/4, NE 1/4 NW 1/4

containing 320 acres, more or less, said lease being recorded in Book 893, Page 11, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23193 (1) Operating Agreement dated April 21, 1980, Southland Royalty Company, operator, and Marathon Oil Company, non-operator, for Dakota and Fruitland Formations.
- (2) Communitization Agreement dated December 20, 1960 for Dakota Formation, filed Book 482, Page 93, Records of San Juan County, New Mexico.
- (3) Communitization Agreement dated March 21, 1974 for Fruitland and Pictured Cliffs Formations.
- 23157 (4) Communitization Agreement dated February 4, 1960 for Dakota Formation.
- (5) Operating Agreement dated February 4, 1960 between Redfern & Herd, Inc., operator, and the Ohio Oil Company et al, non-operators, for Dakota Formation, and amended January 1, 1961.
- 23188 (6) Communitization Agreement dated November 8, 1960 for Dakota Formation.
- (7) Operating Agreement dated November 8, 1960 between Ohio Oil Company, operator, and Aztec Oil and Gas Company, non-operator, for Dakota Formation.

- 23363 (8) Joint Operating Agreement dated March 21, 1974 between Marathon Oil Company, operator, and Aztec Oil & Gas Company for the Fruitland and Pictured Cliffs Formations.
- (9) Communitization Agreement dated March 21, 1974 for Fruitland and Pictured Cliffs Formations.
- 23364 (10) Joint Operating Agreement Dated March 21, 1974 for Fruitland and Pictured Cliffs Formations between Marathon Oil Company, operator, and Aztec Oil & Gas Company.
- (11) Communitization Agreement dated March 21, 1974 for Fruitland and Pictured Cliffs Formations.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20234

Lease of Oil and Gas Lands (Serial Santa Fe 077966), dated as of February 1, 1948, by and between the United States of America, as Lessor, and Carlos Robinson, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 13 West, N.M.P.M.

Section 14: S 1/2

Section 23: All

Section 24: All

containing 1600 acres, more or less, said lease being recorded in Book 882, Page 333, Records of said San Juan County.

The foregoing lease being subject to:

- 23382
- (1) Unit Agreement for the Development and Operation of the Gallegos Canyon Unit Area, dated November 1, 1950, executed by Earl A. Benson and William V. Montin, as Unit Operator and Working Interest Owner, and Stanolind Oil and Gas Company et al, as Working Interest Owners, and any and all amendments and revisions thereof.
 - (2) Unit Operating Agreement dated January 15, 1951, by and between Earl A. Benson and William V. Montin, as Unit Operator, and Stanolind Oil and Gas Company et al, as Working Interest Owners, and any and all amendments and revisions thereof.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20235

Lease of Oil and Gas Lands (Serial Santa Fe 078813) dated as of September 1, 1948, between the United States of America as Lessor, and Robert L. Cooper as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 west, N.M.P.M.

Section 6: Lots 3, 4, 5, SE 1/4 NW 1/4, SE 1/4

Section 7: E 1/2 E 1/2

Section 17: NW 1/4

containing 617.80 acres, more or less.

The foregoing lease being subject to:

- 23014 (1) Communitization Agreement dated May 8, 1950, by and between L. G. Stearns and wife, Evalyn R. Stearns, and Robert L. Cooper and wife, June Cooper, Lessees, and Southern Union Gas Company, operator, recorded in Book 151, Page 241, Records of Said San Juan County, as altered by instrument effective November 30, 1960, recorded in Book 482, Page 141, of said Records.
- (2) Designation of Pooled Unit dated May 8, 1950, recorded in Book 146, Page 386, Records of said San Juan County.
- (3) Operating Agreement dated January 1, 1957, by and between Aztec Oil & Gas Company, operator, and L. G. Stearns, Bert Brown and wife Elva M. Brown, and Lon E. Hoeye and wife, Vera S. Hoeye, non-operator.
- 23164 (4) Operating Agreement dated May 8, 1950, by and between Southern Union Gas Company, operator, and L. G. Stearns and wife, Evalyn R. Stearns, non-operators, recorded in Book 151, Page 251, Records of said San Juan County.
- (5) Operating Agreement dated January 20, 1961, by and between Aztec Oil & Gas Company, operator, and Frank A. Schultz et al, non-operators.
- (6) Communitization Agreement dated January 20, 1961, by and between Aztec Oil & Gas Company et al, recorded in Book 482, Page 92, Records of said San Juan County.

- 23176 (7) Communitization Agreement dated March 22, 1961, by and between Pubco Corporation et al.
- (8) Communitization Agreement dated August 17, 1960, by and between Pubco Corporation et al.
- (9) Operating Agreement dated June 3, 1980, by and between Mesa Petroleum Company, operator, and Southland Royalty Company, non-operator.
- 23196 (10) Communitization Agreement dated February 16, 1961, by and between Aztec Oil & Gas Company et al, recorded in Book 488, Page 182, Records of said San Juan County.
- 23198 (11) Communitization Agreement dated April 20, 1961, by and between Aztec Oil & Gas Company et al, recorded in Book 488, Page 122, Records of said San Juan County.
- (12) Operating Agreement dated April 20, 1961, by and between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, et al, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20236

Oil and Gas Lease, SF-077282, dated October 1, 1946, between the United States of America, as Lessor, and Jane Barbara Raney, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 10 West, N.M.P.M.

Section 26: Lots 3, 4, 5, 6, 11, 12, 13, 14

Section 34: Lots 1, 2, 3, 4, NW 1/4

Section 35: Lots 3, 4, 5, 6

containing 793.62 acres, more or less, said lease being recorded in Book 306, Page 76, Records of said San Juan County.

The foregoing lease being subject to:

- (1) Communitization Agreement dated June 2, 1978, for Dakota formation filed in Book 840, Page 54.
- (2) Communitization Agreement dated January 1, 1979, for Mesaverde formation, filed in Book 877, Page 24.
- (3) Operating Agreement dated August 7, 1978, by and between Southland Royalty Company, operator, and Supron Energy Corporation, non-operator, for the Mesaverde and Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20237

Oil and Gas Lease dated April 19, 1949, by and between John A. Pierce and wife, Katherine L. Pierce, as Lessors, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.

Section 30: SE 1/4 NW 1/4, S 1/2 NE 1/4, NE 1/4 SW 1/4

containing 160 acres, more or less, said lease being recorded in Book 135, Page 303, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23017 (1) Communitization Agreement dated April 16, 1951, by and between Southern Union Gas Company, Quilman B. Davis and wife, Margaret A. Davis, Searcy L. Crandell and husband, Paul L. Crandell, and Sunshine Royalty Company, recorded in Book 160, Page 122, Records of said San Juan County.
- (2) Designation of Pooled Unit dated April 19, 1951, executed by Southern Union Gas Company, recorded in Book 157, Page 221, Records of said San Juan County.
- 23018 (3) Communitization Agreement dated April 16, 1951, by and between Southern Union Gas Company, Quilman B. Davis and wife, Margaret A. Davis, Searcy L. Crandell and husband, Paul L. Crandell, and Sunshine Royalty Company, recorded in Book 160, Page 109, Records of San Juan County.
- (4) Designation of Pooled Unit April 19, 1951, executed by Southern Union Gas Company, recorded in Book 157, Page 218, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20238

Oil and Gas Lease (S.F. 078198) dated July 1, 1948 between United States of America as Lessor, and C. H. Nye as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.

Section 1: S 1/2, and NW 1/4
Section 2: Lot 2
Section 12: All
Section 13: E 1/2 NE 1/4, SE 1/4, SW 1/4 SW 1/4
Section 24: S 1/2 SE 1/4
Section 25: N 1/2 NE 1/4

containing 1600.42 acres, more or less, said lease being recorded in Book , Page , Records of said San Juan County.

The foregoing lease being subject to:

- 23061 (1) Communitization Agreement (Pictured Cliffs formation) dated November 17, 1954 between The Bay Petroleum Corporation, Phillips Petroleum Corporation and Aztec Oil & Gas Company.
- 23055 (2) Communitization Agreement (Mesaverde formation) dated May 1, 1953 between El Paso Natural Gas Company, Sunray Oil Corporation, et al .
- 23058 (3) Communitization Agreement (Pictured Cliffs formation) dated March 22, 1954 recorded in Book 260, Page 85 of said records.
- 23054 (4) Communitization Agreement (Pictured Cliffs formation) dated January 1, 1953 between El Paso Natural Gas Company, Murphy Corporation, et al.
- 23093 (5) Communitization Agreement (Pictured Cliffs formation) dated July 12, 1955 recorded in Book 296, Page 16 of said records.
- 23115 (6) Communitization Agreement (Pictured Cliffs formation) dated April 11, 1956 between Southern Union Gas Company, Aztec Oil & Gas Company, recorded in Book 306, Page 88 of said records.

- 23122 (7) Communitization Agreement, Blanco State Unit "1" (Mesa-verde formation), dated August 1, 1957 between Tennessee Gas Transmission Company, operator and Pacific Northwest Pipeline Corporation.
- 23160 (8) Communitization Agreement (Dakota formation) dated January 26, 1960 between International Oil Corporation, Murphy Corporation, et al.
- 23166 (9) Communitization Agreement (Dakota formation) dated May 4, 1960 between Aztec Oil & Gas Company, Paul S. Albright, et al, recorded in Book 454, page 194 of said records.
- 23255 (10) Communitization Agreement (Dakota formation) dated July 16, 1964 between Aztec Oil & Gas Company, Paul Beta Development Company et al.
- 500378 (11) Communitization Agreement (Dakota formation) dated September 3, 1965 between Aztec Oil & Gas Company, Beta Development Company, et al, recorded in Book 626, Page 1 of said records.
- 23346 (12) Communitization Agreement (Dakota formation) dated December 1, 1970 between Aztec Oil & Gas Company, Southern Union Production Company, et al.
- (13) Operating Agreement dated September 15, 1952 between Aztec Oil & Gas Company, Paul S. Albright and Laura Z. Albright, recorded in Book 306, Page 55 of said records.
- (14) Operating Agreement dated July 10, 1953 between Aztec Oil & Gas Company, Paul S. Albright and Laura Z. Albright, recorded in Book 266, Page 8 of said records.
- (15) Operating Agreement dated January 1, 1953 between El Paso Natural Gas Company and Aztec Oil & Gas Company, relating to formation unitized under Communitization Agreement No. 23054 referenced above.
- (16) Operating Agreement dated March 4, 1980 between El Paso Natural Gas Company and Southland Royalty Company relating to formation unitized under Communitization Agreement No. 23055 referenced above.
- (17) Operating Agreement dated March 22, 1954 between Aztec Oil & Gas Company and El Paso Natural Gas Company relating to formation unitized under Communitization Agreement No. 23058 referenced above, recorded in Book 278, Page 172 of said records.

- (18) Operating Agreement dated November 17, 1954 between the Bay Petroleum Corporation and Aztec Oil & Gas Company, relating to formation unitized under Communitization Agreement No. 23061 referenced above.
- (19) Operating Agreement dated July 12, 1955 between Aztec Oil & Gas Company and El Paso Natural Gas Company, relating to formation unitized under Communitization Agreement No. 23093 referenced above.
- (20) Operating Agreement dated April 30, 1956 between Southern Union Gas Company and Aztec Oil & Gas Company, relating to formation unitized under Communitization Agreement No. 23115 referenced above.
- (21) Operating Agreement dated August 1, 1957 between Tennessee Gas Transmission Company, El Paso Natural Gas Company and Aztec Oil & Gas Company, relating to formation unitized under Communitization Agreement No. 23122 referenced above.
- (22) Operating agreement dated January 15, 1960 between International Oil Corporation, Southern Union Gas Company, and Aztec Oil & Gas Company, relating to formation unitized under Communitization Agreement No. 23160 referenced above.
- (23) Operating Agreement dated February 1, 1979 between Southland Royalty Company and El Paso Natural Gas Company, relating to formation unitized under Communitization Agreement No. 23166 referenced above.
- (24) Operating Agreement dated July 16, 1964 between Beta Development Co. and Aztec Oil & Gas Company, relating to formation unitized under Communitization Agreement No. 23255 referenced above.
- (25) Operating Agreement dated December 1, 1970 between Aztec Oil & Gas Company, relating to the formation unitized under Communitization Agreement No. 23346 referenced above.
- 23270 (26) Operating Agreement dated July 2, 1980 between Southland Royalty Company, Beta Development Company, and El Paso Natural Gas Company, relating to formation unitized under Communitization Agreement No. 500378 referenced above.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20239

Oil and Gas Lease (No. E 2662-2) dated May 10, 1949 between State of New Mexico as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 9 West, N.M.P.M.

Section 2: SE 1/4 SE 1/4

Section 36: SW 1/4 NE 1/4; SE 1/4 NE 1/4

containing 120 acres, more or less, said lease being recorded in Book _____, Page _____, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23045 (1) Communitization Agreement dated June 12, 1952 between El Paso Natural Gas Company, Southern Union Gas Company and Delhi Oil Company and J. Glenn Turner for Section 2: SE 1/4 SE 1/4 down to and including Mesaverde Formation.
- (2) Operating Agreement dated June 12, 1952 (parties and property same as #1 above) for developing dry gas and/or condensate producible down to and including the Mesaverde Formation.
- 23059 (3) Communitization Agreement dated November 9, 1954 between Stanolind Oil and Gas Company, operator, et al, for Mesaverde Formation, recorded Book 266, Page 96, Records of San Juan County, New Mexico.
- (4) Operating Agreement dated February 1, 1978 by and between Amoco Production Company, operator, and Southland Royalty Company, et al for Mesaverde Formation.
- 23296 (5) Communitization Agreement dated April 11, 1948 for Pictured Cliffs Formation, filed in Book 667, Page 63, Records of San Juan County, New Mexico
- (6) Operating Agreement dated April 11, 1968 for Pictured Cliffs Formation, between Pan American Petroleum Corporation, operator, et al. amended January 1, 1976, and amended January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20240

Noncompetitive Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended, (Serial Santa Fe 078134) dated December 1, 1947, between the United States of America, as Lessor, and Searcy L. Crandell, as Lessee, insofar as said lease covers the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.

Section 17: SW 1/4 SW 1/4

Section 18: E 1/2 SE 1/4, SW 1/4 SE 1/4

Section 19: E 1/2, E 1/2 SW 1/4, SW 1/4 SW 1/4, SE 1/4 NW 1/4

Section 30: N 1/2 N 1/2, SE 1/4 SW 1/4, SE 1/4, Lots 2, 3, 4

Township 31 North, Range 11 West, N.M.P.M.

Section 22: SW 1/4 SW 1/4

containing 1152.49 acres, more or less, said lease being recorded in Book _____, Page _____, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23017 (1) Communitization Agreement dated April 16, 1951 by and between Southern Union Gas Company, Quilman B. Davis and his wife, Margaret A. Davis, Searcy L. Crandell and her husband, Paul L. Crandell, and Sunshine Royalty Company.
- (2) Designation of Pooled Unit dated April 19, 1951, filed Book 157, Page 221.
- 23018 (3) Communitization Agreement dated April 16, 1951, between Southern Union Gas Company, Quilman B. Davis and his wife, Margaret B. Davis, Searcy L. Crandell and her husband, Paul L. Crandell, and Sunshine Royalty Company.
- (4) Designation of Pooled Unit dated April 19, 1951.
- 23049 (5) Communitization Agreement dated June 28, 1952 for Mesaverde formation.
- (5-A) Operating Agreement dated August 3, 1977 between El Paso Natural Gas Company, operator and Crown Central Petroleum Company, et al, non-operators.
- 23052 (6) Communitization Agreement dated November 11, 1952 for Mesaverde formation.
- (7) Operating Agreement dated November 11, 1952 between

Aztec Oil & Gas Company, and Southern Union Gas Company, El Paso Natural Gas Company, Stanolind Oil and Gas Company, for Mesaverde formation.

- 23057 (8) Communitization Agreement dated February 18, 1954 between Stanolind Oil and Gas Company, Southern Union Gas Company, and Aztec Oil & Gas Company, for Mesaverde formation.
- (9) Operating Agreement dated September 15, 1976 between Amoco Production Company, Southern Union Gas Company and Aztec Oil & Gas Company for Mesaverde formation.
- 23116 (10) Communitization Agreement dated November 20, 1957 for Mesaverde formation filed Book 401, Page 150.
- (11) Operating Agreement dated November 20, 1957 for Mesaverde formation between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company, et al, non-operators.
- 23321 (12) Communitization Agreement dated July 24, 1969 for Pictured Cliffs formation, filed in Book 678, Page 2.
- (13) Operating Agreement dated July 23, 1969 between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation, non-operator, for Pictured Cliffs formation.
- (14) Communitization Agreement dated October 10, 1969 for Pictured Cliffs formation, filed Book 678, Page 159.
- 23353 (15) Communitization Agreement dated December 15, 1978 for Pictured Cliffs formation, filed Book 866, Page 214.
- (16) Declaration of Unitization dated April 17, 1972 for Pictured Cliffs formation.
- (17) Operating Agreement dated August 1, 1978 between Southland Royalty Company, operator, and Amoco Production Company, non-operator, for Pictured Cliffs formation.
- (18) Communitization Agreement dated September 15, 1978 for Pictured Cliffs formation.
- (19) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H.F. Pettigrew and John A. Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20242

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial 079960) dated February 1, 1948 between the United States of America, as Lessor, and Roy L. Flood as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 31: SE 1/4 of SW 1/4, and S 1/2 of SE 1/4

containing 120 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23032 (1) Communitization Agreement dated September 5, 1951 between William Hamm, Jr., and wife Marie H. Hamm, Pubco Development, Inc., Paul B. Horton and wife Susan Diggle Horton and A. S. Grenier and wife, Jane B. Grenier, Roy L. Flood and wife Dixie D. Flood, Helen Fields, a widow, Dan W. Johnston and wife, Eileen E. Johnston, San Juan Oil Company of Dallas, Texas, Lee W. Kilgore and wife, Elsy Lee Kilgore and Cecil L. Lanier.
- (2) Communitization Agreement dated August 20, 1968 to include only the Dakota formation.
- 23042 (3) Communitization Agreement dated January 1, 1952 between Pubco Development, Inc., et al and Green Briar Oil Company, recorded Book 203, Page 135.
- (4) Operating Agreement dated July 2, 1968 between Aztec Oil & Gas Company, et al, and Pubco Petroleum Corporation.
- 23307 (5) Communitization Agreement dated August 16, 1968 for Dakota formation.
- 23308 (6) Communitization Agreement dated August 20, 1968 for Dakota formation, filed Book 685, Page 286.
- (7) Operating Agreement dated October 15, 1968 for Pictured Cliffs and Dakota formations.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20243

Oil and Gas Lease dated August 30, 1949 between Frank J. Titt, as Lessor and C. H. Nye as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 35: SW 1/4 SW 1/4

Section 34: SE 1/4 SE 1/4; and 18.46 acres, being all the land on the E. side of the Lower Animas Ditch in the SW 1/4 SE 1/4 of Sec. 34, making the center of the Lower Animas Irrigation Ditch the westerly line of said tract.

Township 30 North, Range 11 West, N.M.P.M.

Section 2: NE 1/4 NW 1/4, NW 1/4 NW 1/4, except 6.19 acres in the NW 1/4 NW 1/4 of Section 2.

Section 3: NE 1/4 NE 1/4, except 27.4 acres in the NE 1/4 NE 1/4 of Section 3, and 1.26 acres in the NW cor. of NE 1/4 NE 1/4 of Section 3,

all as more particularly described in said lease, and containing 178.67 acres, more or less, said lease being recorded in Oil and Gas Records Book 139, Page 214 and Book 139, Page 205, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23104 (1) Communitization Agreement dated December 15, 1956 between El Paso Natural Gas Company, et al, covering rights to the base of the Mesaverde Formation, recorded Book 317, Page 194, Records of San Juan County, New Mexico.
- (2) Operating Agreement dated December 15, 1956 between El Paso Natural Gas Company, et al, for Pictured Cliffs Formation and Mesaverde Formation.
- 23138 (3) Communitization Agreement dated January 15, 1959 between Tennessee Gas Transmission Company, operator, and Aztec Oil & Gas Company, for the Mesaverde Formation, recorded Book 407, Page 49, Records of San Juan County, New Mexico.
- (4) Joint Operating Contract dated January 15, 1959 between Tennessee Gas Transmission Company, operator and Aztec Oil & Gas Company, non-operator for the Mesaverde Formation.
- 23357 (5) Operating Agreement dated January 10, 1975 between Southern Union Production Company, operator, and Aztec Oil & Gas Company, et al, non-operators for Mesaverde and Pictured Cliffs Formations. amended August 7, 1979.

23246

- (6) Designation of Pooled Unit dated August 28, 1974 for Pictured Cliffs Formation, recorded Book , Page . Records of San Juan County, New Mexico.
- (7) Communitization Agreement dated October 12, 1962 for Dakota Formation.
- (8) Operating Agreement dated October 12, 1962 for Dakota Formation. Tenneco Oil Company, operator; amended January 30, 1976 and January 1, 1980.
- (9) Assignment dated July 18, 1962 from Aztec Oil & Gas Company, assignor, to Man Drilling Company, Inc., assignee, of all oil and gas leasehold rights in and under said lease with respect to the Dakota Formation and only insofar as said lease covers and includes that part of Section 3, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico above described, and subject to an overriding royalty of 17-1/2% of all oil, gas and/or liquid hydrocarbons that may be produced from the Dakota Formation underlying said tract or attributable thereto, said assignment being recorded in Book 529, Page 261 of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC# 20244

Oil and Gas Lease dated September 10, 1949 between J. Elmer Decker and Alvetta Decker as Lessor, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.

Section 13: SW 1/4 SW 1/4

Section 14: S 1/2

Section 15: E 1/2 SE 1/4

Section 22: E 1/2 NE 1/4

Section 23: N 1/2 NW 1/4, NE 1/4 NE 1/4, W 1/2 SW 1/4,
SE 1/4 SW 1/4, SW 1/4 SE 1/4,

Section 26: N 1/2 NE 1/4

containing 880 acres, more or less, said lease being recorded in Book 139, Page 200, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Communitization Agreement dated March 1, 1979 for Pictured Cliffs formation, filed Book 858, Page 111, of the records of San Juan County, New Mexico.
- 23083 (2) Communitization Agreement dated February 10, 1955 for Mesa Verde formation.
- (2a) Operating Agreement dated 2/7/79 between El Paso Natural Gas Company, Operator and Southland Royalty Company, non-operator.
- (3) Operating Agreement dated February 10, 1955 between El Paso Natural Gas Company, operator, and Aztec Oil and Gas Company, non-operator.
- (4) Designation of Pooled Unit dated February 22, 1955 filed Book 270, Page 104.
- 23084 (5) Communitization Agreement dated February 10, 1955 for Mesa Verde formation.
- (6) Operating Agreement dated February 10, 1955 between El Paso Natural Gas Company and Aztec Oil & Gas Company.
- (7) Operating Agreement dated February 7, 1979 El Paso Natural Gas Company, operator, for Mesa Verde formation.

- 23083 (8) Operating Agreement dated February 7, 1979 El Paso Natural Gas Company, operator.
- 23085 (9) Communitization Agreement dated March 31, 1955, for Mesa Verde formation filed in Book 283, Page 187, of the records of San Juan County, New Mexico.
- (10) Operating Agreement dated March 31, 1955 between Aztec Oil & Gas Company, operator, for Mesa Verde formation filed Book 278, Page 2, records of San Juan County, New Mexico.
- 23086 (11) Communitization Agreement dated March 31, 1955, for Mesa Verde formation, filed Book 284, Page 26.
- (12) Operating Agreement dated March 31, 1955 between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, non-operator, for Mesa Verde formation, filed Book 287, Page 1.
- (13) Communitization Agreement dated January 12, 1967 for Dakota Formation, filed Book 656, Page 44, records of San Juan County, New Mexico.
- (14) Agreement dated January 12, 1967 between Aztec Oil & Gas Company, et al for deepening and reworking well in Mesa Verde and Dakota formations.
- (15) Communitization Agreement dated February 1, 1978 for Pictured Cliffs formation.
- (16) Operating Agreement dated February 1, 1978 for Pictured Cliffs formation, Southland Royalty Company, operator.
- 23316 (17) Communitization Agreement dated March 27, 1969 for Mesa Verde formation, amended January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20245

Oil and Gas Lease dated August 31, 1949 between Frankie Alston, a widow, Sidney J. Alston, Ruth Marie French and Reid M. French, wife and husband, Willa Jean Jaworski and Thaddeous B. Jaworski, wife and husband, and Joella Sowers and Lynn Sowers, wife and husband as Lessors, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 35: E 1/2 of SW 1/4 and NW 1/4 of SE 1/4

Being the same land described in the Patent from the United States to Sidney J. Alston dated December 17, 1915.

containing 120 acres, more or less, said lease being recorded in Book 139, Page 225, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23024 (1) Communitization Agreement dated May 29, 1951 between Southern Union Gas Company and A. S. Grenier, Lessees, and Calvin R. Dabbs and his wife Myra M. Dabbs, and Roy L. Flood and his wife Dixie D. Floor. Amended December 16, 1957 for ownership, filed Book 160, Page 105.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20246

Lease of Oil and Gas Lands (Serial Santa Fe 078312) dated as of July 1, 1948, between the United States of America, as Lessor, and J.D. Hubbard, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.

Section 10: Lot 5, SE 1/4 SE 1/4

Section 11: Lots 1, 2, 3, 4, SW 1/4 SE 1/4, S 1/2 SW 1/4

Section 14: W 1/2 NW 1/4

Section 15: SW 1/4 SE 1/4, S 1/2 SW 1/4, E 1/2 NE 1/4

Section 22: W 1/2 NE 1/4, E 1/2 W 1/2, SE 1/4

containing 1,095.98 acres, more or less.

The foregoing lease being subject to:

- (1) An overriding royalty of 1% on all of the above lands owned by J.D. Hubbard.
- (2) An overriding royalty of 4% on all of the above lands owned by Leo R. Manning.
- 23013 (3) Communitization Agreement dated August 1, 1950, by and between Southern Union Gas Company, J.D. Hubbard and wife, Wardie L. Hubbard, Leo R. Manning and wife, Mabel H. Manning.
- (4) Designation of Pooled Unit dated December 15, 1950, executed by Southern Union Gas Company, recorded in Book 153, Page 227, Records of said San Juan County.
- 23019 (5) Communitization Agreement dated May 18, 1951, by and between Southern Union Gas Company, J.D. Hubbard and wife, Wardie L. Hubbard, and Leo R. Manning and wife, Mabel H. Manning, recorded in Book 166, Page 543, Records of said San Juan County.
- (6) Designation of Pooled Unit dated May 16, 1951, executed by Southern Union Gas Company, recorded in Book 157, Page 542, Records of said San Juan County.
- 23020 (7) Communitization Agreement dated May 18, 1951, by and between Southern Union Gas Company, J.D. Hubbard and wife, Wardie L. Hubbard, and Leo R. Manning and wife, Mabel H. Manning, recorded in Book 166, Page 523, Records of said San Juan County.

- 23020 (8) Designation of Pooled Unit dated May 16, 1951, executed by Southern Union Gas Company, recorded in Book 157, Page 539, Records of said San Juan County.
- 23026-00 (9) Communitization Agreement dated June 22, 1951, by and between Southern Union Gas Company, J.D. Hubbard and wife, Wardie L. Hubbard, and Leo R. Manning and wife, Mabel H. Manning, recorded in Book 166, Page 553, Records of said San Juan County, as amended by instrument dated April 5, 1979, recorded in Book 877, Page 15, of said Records.
- (10) Designation of Pooled Unit dated June 27, 1951, executed by Southern Union Gas Company, recorded in Book 162, Page 71, Records of said San Juan County, as amended by instrument dated April 5, 1979, recorded in Book 858, Page 116, of said Records.
- 23026-01 (11) Communitization Agreement dated April 5, 1979, recorded in Book 877, Page 14, Records of said San Juan County.
- (12) Amendment to Designation of Pooled Unit dated April 5, 1979, recorded in Book 858, Page 116, of said Records.
- 23318 (13) Communitization Agreement dated March 27, 1969, recorded in Book 673, Page 155, Records of said San Juan County.
- (14) Communitization Agreement dated March 27, 1969, recorded in Book 673, Page 156, Records of said San Juan County.
- (15) Communitization Agreement dated June 1, 1979, recorded in Book 877, Page 75, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20247

Renewal Oil and Gas Lease (Serial No. 03179) dated as of January 1, 1976, between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 11 West, N.M.P.M.
Section 14: E 1/2 NE 1/4, W 1/2 NW 1/4, and S 1/2

containing 480 acres, more or less, said lease being recorded in Book 893, Page 15, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated July 10, 1953, by and between J. E. McClanahan et ux, and Aztec Oil & Gas Company.
- 23206 (2) Communitization Agreement dated April 12, 1961, executed by Aztec Oil & Gas Company, recorded in Book 495, Page 140, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20248

Oil and Gas Lease dated June 2, 1932 between Alex Hart and Edna L. Hart, his wife, as Lessors and F. P. Barrett as Lessee, insofar only as it covers the following described land situated in San Juan County, New Mexico.

Township 29 North, Range 12 West, N.M.P.M.
Section 11: NW 1/4 SW 1/4

containing 40 acres, more or less, said lease being recorded in Book 89, Page 158, Records of San Juan County, New Mexico.

The foregoing lease being subject to:

- 23194
- (1) Communitization Agreement dated October 20, 1961 for Dakota formation.
 - (2) Operating Agreement dated October 20, 1961 between Carl H. Noel, et al, non-operators and Tenneco Corporation, operator, for Dakota formation; amended January 30, 1976.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20249

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial Santa Fe 075587) dated February 1, 1940 between the United States of America as Lessor, and Joe D. Reid as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 13: S 1/2 of N 1/2, and the S 1/2

containing 480 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated July 10, 1953 between Marquis G. Eaton et ux, and Aztec Oil & Gas Company.
- 23300 (2) Communitization Agreement dated April 17, 1967, for Dakota formation, filed Book 651, Page 242, records of San Juan County, New Mexico.
- (3) Operating Agreement dated April 17, 1967 between Aztec Oil & Gas Company, operator, and Producing Royalties, Inc., non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20250

Renewal Oil and Gas Lease, (Serial Santa Fe 065546 (a)) dated as of October 1, 1976, between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 10 West, N.M.P.M.

Section 19: Lots 1, 2, 3, E 1/2 NW 1/4, NE 1/4 SW 1/4, E 1/2

containing 566.52 acres, more or less.

The foregoing lease being subject to:

23158 (1) Communitization Agreement dated January 7, 1960 for Dakota formation, recorded in Book 482, page 91, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20251

Renewal Oil and Gas Lease under the Act of February 25, 1920 as amended (Serial Sante Fe 065546) (B)) dated November 1, 1971 between United States of America as Lessor, and Southern Union Production Company as Lessee, insofar as said Lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 10 West, N.M.P.M.

Section 19: Lot 4, SE 1/4 SW 1/4

Section 29: SE 1/4 NE 1/4, SW 1/4 SE 1/4, NW 1/4 SW 1/4

Section 30: N 1/2 N 1/2, NW 1/4 SE 1/4

Section 31: NW 1/4 NE 1/4, NE 1/4 SE 1/4

containing 484.59 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23010 (1) Communitization Agreement dated September 17, 1948 between Southern Union Production Company, Byrd-Frost, Inc., Western Natural Gas Company, Stanolind Oil and Gas Company, P. B. English and his wife, Ruby English, and G. T. Lackey and his wife, Gwen Lackey, for the San Juan Basin Pool, recorded Book 153, Page 203.
- (2) Operating Agreement dated September 17, 1948 between Southern Union Production Company and Amoco et al, for production to base of Pictured Cliffs formation, recorded Book 146, Page 339.
- 23011 (3) Communitization Agreement dated November 3, 1949 between Byrd-Frost, Inc., Southern Union Production Company, Western Natural Gas Company, Stanolind Oil and Gas Company, P. B. English and his wife, Ruby English for Pictured Cliffs formation.
- (4) Operating Agreement dated November 3, 1949 between El Paso Natural Gas Company as operator, and Southland Royalty Company et al, for production to base of Pictured Cliffs formation.
- (5) Operating Agreement dated May 24, 1951 effective September 1, 1951.

- 23037 (6) Communitization Agreement dated October 19, 1951 for production from the surface to the base of the Pictured Cliffs Formation, recorded Book 172, Page 155.
- 23038 (7) Communitization Agreement date October 19, 1951 for production from the surface to the base of the Pictured Cliffs Formation, recorded in Book 172, Page 169.
- 23044 (8) Communitization Agreement dated November 15, 1951 for dry gas and/or condensate producible down to and including the Pictured Cliffs Formation, filed Book 210, Page 99.
- (9) Operating Agreement dated October 19, 1951 between Aztec Oil & Gas Company and El Paso Natural Gas Company, filed Book 177, Page 389 for gas and/or condensate down to and including the Pictured Cliffs Formation.
- 23050 (10) Communitization Agreement dated November 14, 1952 between Aztec Oil & Gas Company, Stanolind Oil and Gas Company, Byrd-Frost, Inc., E. H. Newman and wife, Mary Louise Newman, Western Natural Gas Company for Pictured Cliffs Formation.
- (11) Operating Agreement dated March 3, 1953 between Stanolind Oil and Gas Company and Aztec Oil & Gas Company for Pictured Cliffs Formation.
- 23051 (12) Communitization Agreement dated November 14, 1952 between Aztec Oil & Gas Company, Stanolind Oil and Gas Company, et al, for Pictured Cliffs Formation.
- (13) Operating Agreement dated March 3, 1953 between Stanolind Oil and Gas Company and Aztec Oil and Gas Company, for Pictured Cliffs Formation.
- 23053 (14) Communitization Agreement dated January 2, 1953 between Aztec Oil & Gas Company and Stanolind Oil and Gas Company for Pictured Cliffs Formation, recorded Book 228, Page 6, Records of San Juan County, New Mexico.
- (15) Operating Agreement dated January 2, 1953 between Aztec Oil & Gas Company and Stanolind Oil and Gas Company for Pictured Cliffs Formation, recorded Book 236, Page 173, Records of San Juan County, New Mexico.
- 23158 (16) Communitization Agreement dated Janaury 7, 1960 for Dakota Formation, filed Book 482, Page 91, Records of San Juan County, New Mexico.
- 23215 (17) Communitization Agreement dated November 8, 1961 Dakota Formation, filed Book 526, Page 113, Records of San Juan County, New Mexico.

- (18) Operating Agreement dated June 20, 1980, Southland Royalty Company, operator for the Dakota and Chacra Formations.
- 23216 (19) Communitization Agreement dated November 15, 1961 for Dakota Formation, recorded Book 515, Page 98, Records of San Juan County, New Mexico.
- (20) Operating Agreement dated April 21, 1980, Southland Royalty Company as operator for Dakota and Fruitland Formations.
- 23261 (21) Communitization Agreement dated September 25, 1964 for Dakota Formation, recorded Book 596, Page 53.
- (22) Operating Agreement dated September 25, 1964 between Pan American Petroleum Corporation, operator, El Paso Natural Gas Company, et al, non-operators, for Dakota Formation; amended January 1, 1976 and January 1, 1980.
- 23262 (23) Communitization Agreement dated September 25, 1964 for Dakota Formation, recorded Book 596, Page 54.
- (24) Operating Agreement dated September 25, 1964 between Pan American Petroleum Corporation, operator, and El Paso Natural Gas Company, et al, non-operators for Dakota Formation; amended January 1, 1976, January 1, 1980.
- 23263 (25) Communitization Agreement dated September 25, 1964 for Dakota Formation, Recorded Book 596, Page 52.
- (26) Operating Agreement dated September 25, 1964 for Dakota Formation, Pan American Petroleum Corporation, operator, and El Paso Natural Gas Company, et al, non-operators; amended January 1, 1976, amended January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20252

Lease of Oil and Gas Lands under the Act of February 25, 1950, as amended (Serial Santa Fe 076465) dated December 31, 1938 between United States of America as Lessor, and Dudley Cornell, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 2: SW 1/4
Section 10: N 1/2 NE 1/4
Section 12: E 1/2 SW 1/4
Section 14: N 1/2 SE 1/4

containing 400 acres, more or less, said lease being recorded in Book 99, Page 305, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated July 10, 1953 between J. E. McClanahan et al, and Aztec Oil & Gas Company.
- (2) Communitization Agreement dated November 22, 1964 for Pictured Cliffs formation.
- 23448 (3) Communitization Agreement dated December 1, 1979 for Pictured Cliffs formation.
- (4) Operating Agreement dated January 1, 1980 for Pictured Cliffs formation.
- 23101 (5) Communitization Agreement dated March 1, 1955 for Pictured Cliffs formation, filed Book 301, Page 8, of records of San Juan County, New Mexico.
- 23195 (6) Communitization Agreement dated April 28, 1961 for Dakota formation.
- (7) Operating Agreement dated April 28, 1961 between Aztec Oil & Gas Company, non-operator, and Tenneco Corporation, operator for Dakota formation, amended January 30, 1976 for accounting procedures.
- 23211 (8) Communitization Agreement dated August 1, 1961 for Dakota formation.

- (9) Operating Agreement dated August 1, 1961 between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation et al, non-operators for Dakota formation.
- 23237 (10) Communitization Agreement dated April 13, 1962 for Dakota formation, filed Book 522, Page 88.
- (11) Operating Agreement dated April 13, 1962 for Dakota formation, Aztec Oil & Gas Company, operator; amended March 1, 1974.
- 23242 (12) Communitization Agreement dated September 11, 1962 for Dakota formation.
- (13) Operating Agreement dated September 11, 1962 for Dakota formation, Aztec Oil & Gas Company, operator, and Tenneco Corporation, non-operator, amended November 21, 1975 and January 30, 1976 and January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20253-01

Oil and Gas Lease dated September 28, 1940, by and between E. M. McGrath as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 34: E 1/2 SW 1/4 and W 1/2 SE 1/4

containing 160 acres, more or less, said lease being recorded in Book 99, Page 306, Records of San Juan County, New Mexico, as amended by instrument dated September 21, 1961, recorded in Book 500, Page 26, Records of said San Juan County;

The foregoing lease being subject to:

- 23227 (1) Communitization Agreement dated July 20, 1962 for Dakota formation, recorded in Book 564, Page 50, Records of said San Juan County.
- (2) Operating Agreement dated July 20, 1962 between Aztec Oil & Gas Company, Operator, and El Paso Natural Gas Company et al, Non-Operators, for Dakota formation, as amended as of June 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20253-02

Oil and Gas Mining Lease dated September 2, 1941 between Charles E. Herr and wife, Alice L. Herr, as Lessors, and William Mansfield, C. M. Carroll and Dudley Cornell, as Lessees, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.

Section 2: SE 1/4

Section 3: SE 1/4

Township 30 North, Range 12 West, N.M.P.M.

Section 34: E 1/2 SW 1/4; W 1/2 SE 1/4

containing 480 acres, more or less, said lease being recorded in Book 89, Page 782, Records of said San Juan County.

The foregoing lease being subject to:

- 23227 (1) Communitization Agreement dated July 20, 1962, for Dakota formation, recorded in Book 564, Page 50, Records of said San Juan County.
- (2) Operating Agreement dated July 20, 1962 between Aztec Oil & Gas Company, Operator, and El Paso Natural Gas Company et al, Non-Operators, for Dakota formation, as amended as of June 1, 1978.
- 23252 (3) Designation of Pooled Unit dated February 14, 1964, for Dakota formation recorded in Book 574, Page 106, Records of said San Juan County.
- (4) Operating Agreement dated February 14, 1964, between Aztec Oil & Gas Company, Operator, and Union Texas Petroleum et al, Non-Operators, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20253-03

Oil and Gas Mining Lease dated as of September 9, 1941, between Helen C. Pickerill, minor, by W. Peter McAtee, her Guardian, as Lessor, and William Mansfield, C. M. Carroll, and Dudley Cornell, as Lessees, insofar as said Lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.

Section 2: SE 1/4

Section 3: SE 1/4

Township 30 North, Range 30 North, Range 12 West

Section 34: E 1/2 SW 1/4, W 1/2 SE 1/4

containing 480 acres, more or less, said lease being recorded in Book 99, Page 380, Records of said San Juan County.

The foregoing lease being subject to:

- 23227 (1) Communitization Agreement dated July 20, 1962, for Dakota formation, recorded in Book 564, Page 50, Records of said San Juan County.
- (2) Operating Agreement dated July 20, 1962 between Aztec Oil & Gas Company, Operator, and El Paso Natural Gas Company et al, Non-Operators, for Dakota formation, as amended as of June 1, 1978.
- 23252 (3) Operating Agreement dated February 14, 1964, between Aztec Oil & Gas Company, Operator, and Union Texas Petroleum et al, Non-Operators, for Dakota formation.
- (4) Designation of Pooled Unit dated February 14, 1964, for Dakota formation, recorded in Book 574, Page 106, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20253-04

Oil and Gas Mining Lease dated September 9, 1941, between Belle St. Clair Pickerill, as Lessor, and William Mansfield et al, as Lessees, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.

Section 2: SE 1/4

Section 3: SE 1/4

Township 30 North, Range 12 West, N.M.P.M.

Section 34: E 1/2 SW 1/4 and W 1/2 SE 1/4

containing 480 acres, more or less, said lease being recorded in Book 89, Page 781, Records of said San Juan County.

The foregoing lease being subject to:

- 23227 (1) Communitization Agreement dated July 20, 1962 for Dakota formation, recorded in Book 564, Page 50, Records of said San Juan County.
- (2) Operating Agreement dated July 20, 1962 between Aztec Oil & Gas Company, Operator, and El Paso Natural Gas Company, Non-Operators for Dakota formation, as amended as of June 1, 1978.
- 23252 (3) Designation of Pooled Unit dated February 14, 1964 for Dakota formation, recorded in Book 574, Page 106, Records of said San Juan County.
- (4) Operating Agreement dated February 14, 1964, between Aztec Oil & Gas Company, Operator, and Union Texas Petroleum et al, Non-Operators, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20253-05

Oil and Gas Lease dated February 26, 1942 between E. M. McGrath and wife, Gertrude McGrath, as Lessors, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.

Section 2: SE 1/4

Section 3: SE 1/4

containing 320 acres, more or less, said lease being recorded in Book 135, Page 146, Records of San Juan County.

The foregoing lease being subject to:

- 23252
- (1) Designation of Pooled Unit dated February 14, 1964, for Dakota formation, recorded in Book 574, Page 106, Records of said San Juan County.
 - (2) Operating Agreement dated February 14, 1964, between Aztec Oil & Gas Company, Operator, and Union Texas Petroleum et al, Non-Operators for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20254

Oil and Gas Lease dated January 11, 1943, by and between Mrs. Florence A. Kattler and husband, Frederick Kattler, as Lessors, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 2: NW 1/4

containing 160 acres, more or less, said lease being recorded in Book 99 Page 425, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23175 (1) Pooling Agreement dated August 25, 1960 between Aztec Oil & Gas Company et al for the Dakota formation, recorded in Book 496, page 51, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20255

Oil and Gas Lease dated June 19, 1941 between Elmer McDaniel and Herberta McDaniel, husband and wife, as Lessor, and Joe D. Reid, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 17: SW 1/4 SW 1/4

Section 18: SE 1/4 SE 1/4

Section 19: NE 1/4 NE 1/4

Section 20: NW 1/4 NW 1/4

containing 160 acres, more or less, said lease being recorded in Book 89, Page 777, Amended Book 471, Page 96, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23198 (1) Communitization Agreement dated April 20, 1961 for Dakota formation filed in Book 488, Page 122, of the records of San Juan County, New Mexico.
- (2) Operating Agreement dated April 20, 1961 for Dakota formation amended June 28, 1978.
- 23207 (3) Communitization Agreement dated April 13, 1961 for Dakota formation filed Book 488, Page 163.
- (4) Operating Agreement dated April 13, 1961 between Aztec Oil & Gas Company, operator, and John J. Redfern, Jr. et al, non-operator, for Dakota formation.
- (4a) Operating Agreement dated March 26, 1980, between Southland Royalty Company and Pioneer Production Company for the Dakota formation.
- (5) Operating Agreement dated July 25, 1977 between Aztec Oil & Gas Company, operator, and Weldon C. Julandis, non-operator, for Pictured Cliffs formation.
- (6) Communitization Agreement dated July 25, 1977 for Pictured Cliffs formation.
- 23210 (7) Communitization Agreement dated July 19, 1961 for Dakota formation amended August 14, 1962.

- 23224
- (8) Operating Agreement dated July 19, 1961 between Aztec Oil & Gas Company, operator, and Tidewater Oil Company, non-operator, for Dakota formation.
 - (9) Communitization Agreement dated December 22, 1961 for Dakota formation filed Book 522, Page 110, of the records of San Juan County, New Mexico.
 - (10) Operating Agreement dated December 22, 1961 between Aztec Oil & Gas Company, operator, and Rodney P. Calvin et al, non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20256

Oil and Gas Lease dated September 3, 1940 between Jennie H. Walker as Lessor, and Dudley Cornell, C. M. Carroll and William Mansfield as Lessees, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 3: N 1/2

containing 320 acres, more or less, said lease being recorded in Book 99, Page 364, Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20257

Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended (Serial Santa Fe 075695 Ex) dated December 31, 1938 between the United States of America, as Lessor, and Henry E. Kaune, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 20: W 1/2 NE 1/4

containing 80 acres, more or less.

The foregoing lease being subject to:

- (1) Operating Agreement dated July 10, 1953 between Paul S. Albright and Aztec Oil & Gas Company.
- 23224 (2) Communitization Agreement dated December 22, 1961, for Dakota formation filed Book 522, Page 110, records of San Juan County, New Mexico.
- (3) Operating Agreement dated December 22, 1961, between Aztec Oil & Gas Company, operator, and Rodney P. Calvin et al, non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20258

Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended (Serial Santa Fe 077056 Ex) dated December 31, 1938 between United States of America, as Lessor, and Henry E. Kaune, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 18: Lots 3, 4, E 1/2 SW 1/4, W 1/2 SE 1/4

Section 19: Lots 1, 2, 3, E 1/2 NW 1/4, NE 1/4 SW 1/4
W 1/2 NE 1/4, NW 1/4 SE 1/4

Section 20: S 1/2 NW 1/4, NE 1/4 NW 1/4

containing 713.69 acres, more or less.

The foregoing lease being subject to:

- 23207
- (1) Communitization Agreement dated April 13, 1961 for Dakota Formation filed Book 488, Page 163.
 - (2) Operating Agreement dated April 13, 1961 between Aztec Oil & Gas Company, operator and John J. Redfern, Jr., et al, non-operators for Dakota Formation.
 - (3) Operating Agreement dated July 25, 1977 between Aztec Oil & Gas Company, operator, and Weldon C. Julian, non-operator, for Pictured Cliffs Formation.
 - (4) Operating Agreement dated March 26, 1980 between Southland Royalty Company, and Pioneer Production Company, for the Gallup and Dakota Formations.
 - (5) Communitization Agreement dated July 25, 1977 for Pictured Cliffs formation.
- 23210
- (6) Communitization Agreement dated July 19, 1961 for Dakota Formation, amended August 14, 1962.
 - (7) Operating Agreement dated July 19, 1961 between Aztec Oil & Gas Company, operator, and Tidewater Oil Company, non-operator, for the Dakota Formation.
- 23222
- (8) Communitization Agreement dated November 10, 1961 for the Dakota Formation, filed Book 529, Page 22, amended August 14, 1962.

- 23224
- (9) Operating Agreement dated November 10, 1961 Aztec Oil & Gas Company, operator, for the Dakota Formation.
 - (10) Communitization Agreement dated December 22, 1961 for Dakota formation, filed Book 522, Page 110.
 - (11) Operating Agreement dated December 22, 1961 between Aztec Oil & Gas Company, operator, and Rodney P. Calvin et al, non-operator for Dakota Formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20259

Lease of Oil and Gas Lands (Serial Santa Fe 077317) dated as of February 1, 1942, between United States of America, as Lessor, and Robert L. Cooper, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 6: Lots 6, 7, E 1/2 SW 1/4

Section 7: Lots 1, 2, 3, 4, E 1/2 W 1/2

Section 18: Lots 1, 2, E 1/2 NW 1/4, W 1/2 NE 1/4

containing 689.93 acres, more or less, said lease being recorded in Book 882, Page 331, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement and Sub-Lease of Oil and Gas Lease dated November 15, 1948, made and entered into by and between Robert L. Cooper, Sub-Lessor, and Dudley Cornell and C. M. Carroll, Sub-Lessees.
- 23196 (2) Communitization Agreement dated February 16, 1961, for Dakota formation, recorded in Book 488, Page 162, Records of said San Juan County.
- 23205 (3) Communitization Agreement dated April 10, 1961, for Dakota formation, recorded in Book 488, Page 174, Records of said San Juan County.
- (4) Operating Agreement dated April 10, 1961 between Aztec Oil & Gas Company, Operator, and John J. Redfern, Jr., et al, Non-Operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20260

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial Santa Fe 077482) dated March 1, 1945 between United States of America as Lessor, and C. Juanita Holder as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 1: S 1/2 SE 1/4, NW 1/4 SE 1/4, SW 1/4 NE 1/4
Section 2: NE 1/4
Section 6: N 1/2 NE 1/4, NW 1/4
Section 24: S 1/2 SW 1/4, N 1/2 SE 1/4, SW 1/4 SE 1/4
Section 29: SE 1/4 NW 1/4

containing 799.16 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between D. R. Zachry, et al and Aztec Oil & Gas Company.
- (2) Operating Agreement dated July 10, 1953 between D. R. Zachry and Aztec Oil & Gas Company.
- 23231 (3) Communitization Agreement dated March 5, 1962 for Dakota formation, amended March 11, 1963.
- (4) Operating Agreement dated March 5, 1962 between Pan American Petroleum Corporation, operator and Aztec Oil & Gas Company, et al, non-operators for Dakota formation. Amended January 1, 1980.
- 500373 (5) Operating Agreement dated April 21, 1980 for Dakota formation, Tom Bolack, operator.
- 500373 (5-A) Communitization Agreement dated April 21, 1980 for Dakota formation.
- 23444 (6) Communitization Agreement dated April 1, 1979 for Mesaverde formation.
- (7) Operating Agreement dated April 1, 1979 for Mesaverde formation, Southland Royalty Company, operator.
- 23238 (8) Communitization Agreement dated March 1, 1962 for Dakota formation.
- (9) Operating Agreement dated March 1, 1962 for Dakota

formation, Southwest Production Company et al, operator,
Tidewater Oil Company et al, non-operators.

- 23240 (10) Communitization Agreement dated February 28, 1962 for
Dakota formation.
- (11) Operating Agreement dated February 28, 1962 between
Redfern & Herd, Inc., operator, and Aztec Oil & Gas
Company, et al, non-operators for Dakota formation.
Amended November 1, 1962.
- 23253 (12) Communitization Agreement dated June 8, 1964 for Dakota
formation, filed Book 588, Page 34.
- (13) Operating Agreement dated June 8, 1964 between Aztec
Oil & Gas Company, operator, and Pan American Oil
Company, non-operator, for Dakota formation. Amended
August 5, 1964.
- 23304 (14) Communitization Agreement dated July 8, 1968 for Mesa-
verde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20261

Lease of Oil and Gas Lands (Serial Santa Fe 077652), dated as of April 1, 1945, by and between the United States of America, as Lessor, and Vivian East, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 14: W 1/2, W 1/2 E 1/2
Section 23: W 1/2, SE 1/4 SE 1/4
Section 24: NE 1/4 NW 1/4, S 1/2 NW 1/4, SW 1/4, NE 1/4,
N 1/2 SE 1/4
Section 25: W 1/2, S 1/2 NE 1/4, SE 1/4
Section 26: All

containing 2560 acres, more or less, said lease being recorded in Book 893, Page 13, of the Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23039 (1) Communitization Agreement dated February 6, 1952, executed by Aztec Oil & Gas Company et al, recorded in Book 177, Page 485, Records of said San Juan County.
- (2) Designation of Pooled Unit dated March 17, 1952, executed by Aztec Oil & Gas Company, recorded in Book 177, Page 544, Records of said San Juan County.
- 23047 (3) Communitization Agreement dated July 28, 1952, executed by Aztec Oil & Gas Company, et al.
- (4) Designation of Pooled Unit dated August 21, 1952, executed by Aztec Oil & Gas Company, recorded in Book 188, Page 136, Records of said San Juan County, and any and all amendments thereof.
- 23173 (5) Communitization Agreement dated June 22, 1960, executed by Aztec Oil & Gas Company et al, recorded in Book 460, Page 40, Records of said San Juan County.
- 23228 (6) Communitization Agreement dated March 15, 1962, executed by Aztec Oil & Gas Company, recorded in Book 546, Page 132, Records of said San Juan County.
- 23314 (7) Communitization Agreement dated March 25, 1969, executed by Aztec Oil & Gas Company, recorded in Book 673, Page 117, Records of San Juan County.

23315 (8) Communitization Agreement dated March 25, 1969, executed by Aztec Oil & Gas Company, recorded in Book 673, Page 116, Records of said San Juan County.

23323 (9) Communitization Agreement dated October 14, 1969, executed by Aztec Oil & Gas Company et al.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20262

Oil and Gas Lease dated March 1, 1945 between United States of America as Lessor, and H. C. Richardson as Lessee, SF-077651, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 10: All

Section 15: All

Section 21: W 1/2 NW 1/4, NE 1/4 NE 1/4, S 1/2 NE 1/4, SE 1/4, SE 1/4 SW 1/4, and SE 1/4 SW 1/4 (from surface to base of Mesaverde formation as to SE 1/4 SW 1/4)

Section 22: All

Section 32: W 1/2 NW 1/4

containing 2400 acres, more or less, said lease being recorded in Book 577, Page 73, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23129 (1) Communitization Agreement dated April 17, 1957 between Anderson-Prichard Oil Company and Paul S. Albright, et al, for Mesaverde formation.
- 23152 (2) Communitization Agreement dated June 18, 1959, for Mesaverde formation, filed Book 425, Page 51 of said Records.
- 23256 (3) Communitization Agreement dated April 1, 1964 for Dakota formation, recorded Book 587, Page 6 of said Records.
- (4) Operating Agreement dated April 1, 1964 for Dakota formation, Pan American Petroleum Corporation, operator.
- 23257 (5) Communitization Agreement dated July 15, 1964 for Dakota formation.
- 23257 (6) Operating Agreement dated September 15, 1952 between Paul S. Albright et al and Aztec Oil & Gas Company Recorded Book 577, Page 71 of said Records.
- (7) Overriding royalty reserved in Assignment of Oil and Gas Lease dated November 9, 1966 from Paul S. Albright Assignor, to Aztec Oil & Gas Company, Assignee, recorded in Book 651, Page 257.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20263

Lease of Oil and Gas Lands (Serial Santa Fe 077648), dated as of March 1, 1945, by and between the United States of America, as Lessor, and O. B. Peacore, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 1: W 1/2, NE 1/4 NE 1/4, SW 1/4 SE 1/4

Section 3: S 1/2, S 1/2 NW 1/4, S 1/2 NE 1/4

Section 11: All

Section 12: All

Section 14: NE 1/4 NE 1/4

containing 2,198.38 acres, more or less.

The foregoing lease being subject to:

- 23021 (1) Communitization Agreement dated June 1, 1951, executed by Southern Union Gas Company and Quilman B. Davis and wife, Margaret A. Davis, recorded in Book 166, Page 511, Records of said San Juan County, and any and all amendments thereof.
- (2) Designation of Pooled Unit dated May 29, 1951, executed by Southern Union Gas Company, recorded in Book 158, Page 150, Records of said San Juan County.
- 23023 (3) Communitization Agreement dated May 11, 1954, executed by Aztec Oil & Gas Company et al, recorded in Book 262, Page 148, Records of said San Juan County.
- 23039 (4) Communitization Agreement dated February 6, 1952, executed by Aztec Oil & Gas Company et al, recorded in Book 177, Page 485, Records of said San Juan County.
- (5) Designation of Pooled Unit dated March 17, 1952, executed by Aztec Oil & Gas Company, recorded in Book 177, Page 544, Records of said San Juan County.
- 23228 (6) Communitization Agreement dated March 15, 1962, executed by Aztec Oil & Gas Company, recorded in Book 546, Page 132, Records of said San Juan County.
- 23254 (7) Communitization Agreement dated July 1, 1964, executed by Aztec Oil & Gas Company, recorded in Book 584, Page 80, Records of said San Juan County.
- (8) Communitization Agreement dated December 15, 1979, executed by Southland Royalty Company et al.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20264

Oil and Gas Lease dated March 1, 1945 between William T. McCarty and Nannie M. McCarty, his wife, as Lessors, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 28: SW 1/4 NW 1/4

Section 29: E 1/2 SE 1/4

containing 120 acres, more or less, said lease being recorded in Book 99, Page 492, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23167 (1) Communitization Agreement dated July 12, 1960 for Dakota formation. Amended April 30, 1962, filed Book 529, Page 265.
- (2) Operating Agreement dated July 12, 1960 between Redfern & Hern, operator and Aztec Oil & Gas Company, et al, non-operators for Dakota formation. Amended July 1, 1961.
- 23232 (3) Communitization Agreement dated May 9, 1962 for Mesaverde formation. Amended March 11, 1963, amendment filed in Book 567, Page 82.
- (4) Operating Agreement dated May 9, 1962 between Pan American Petroleum Corporation, operator and Texas Eastern Transmission Corporation, et al, non-operators, for Mesaverde formation. Amended January 1, 1980.
- 23243 (5) Communitization Agreement dated December 1, 1961 for Pictured Cliffs formation, filed Book 543, Page 73.
- 23275 (6) Communitization Agreement dated June 10, 1965 for Dakota formation.
- (7) Operating Agreement dated June 10, 1965 for Dakota formation, Pan American Petroleum Corporation, operator. Amended January 1, 1976; amended January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20265

Oil and Gas Lease dated April 18, 1945 between Mrs. Louise Beck, a widow, as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 2: NW 1/4 NE 1/4, S 1/2 NE 1/4

containing 120 acres, more or less, said lease being recorded in Book 99, Page 498, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23008 (1) Pooled Unit dated April 5, 1948 for Aztec-Beck #1, amended August 23, 1960 for Pictured Cliffs formation only.

- 23175 (2) Pooling Agreement dated August 25, 1960 for Dakota formation, filed Book 496, Page 51.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20266

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial Santa Fe 077922) dated December 31, 1938 between United States of America as Lessor, and James J. Hudson as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 34: NE 1/4; E 1/2 NW 1/4, E 1/2 SE 1/4

Section 35: W 1/2 W 1/2

containing 480 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated July 10, 1953 between Paul S. Albert, et al and Aztec Oil & Gas Company.
- (2) Operating Rights below Pictured Cliffs formation assigned to Pan American Petroleum Corporation.
- 23226 (3) Communitization Agreement dated January 5, 1962 for Mesaverde and Dakota formations. Amended March 11, 1963.
- (4) Operating Agreement dated January 5, 1962 between Pan American Petroleum Corporation, operator and Aztec Oil & Gas Company, non-operator for Mesaverde and Dakota formation. Amended January 1, 1980.
- 23227 (5) Communitization Agreement dated July 20, 1962 for Dakota formation, filed Book 564, Page 50.
- (6) Operating Agreement dated July 20, 1962 between Aztec Oil & Gas Company, operator and El Paso Natural Gas Company, et al, non-operators for Dakota formation. Amended June 1, 1978.
- 23251 (7) Communitization Agreement dated April 27, 1966 for (separately) the Mesaverde formation and Dakota formation.
- (8) Operating Agreement dated April 27, 1966 between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, et al, non-operators for Mesaverde and Dakota formations. Amended June 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20267

Oil and Gas Lease dated June 12, 1945 between E. E. Dragoo, and J. T. Hutton, and Verna Dragoo and Parallee A. Hutton, their respective wives as Lessors, and The Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 2: NE 1/4 NE 1/4

containing 40 acres, more or less, said lease being recorded in Book 99 Page 507, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23175 (1) Pooling Agreement dated August 25, 1960 for Dakota formation, filed Book 496, Page 51.
- 23008 (2) Pooled Unit dated April 5, 1948 for Aztec-Beck #1, Amended August 23, 1960 for Pictured Cliffs formation only.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20268

Oil and Gas Lease dated March 24, 1945 between G. W. Sammons and H. B. Sammons as Lessors, and C. C. Culpepper, et al, as Lessees, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 32: SW 1/4 NE 1/4, SE 1/4

containing 200 acres, more or less, said lease being recorded in Book 99, Page 502, Records of San Juan County, New Mexico;

The foregoing Lease being subject to:

- 23213
- (1) Designation of Pooled Unit dated May 25, 1961 for Dakota formation, filed Book 490, Page 88.
 - (2) Operating Agreement dated May 25, 1961 between Aztec Oil & Gas Company, operator, and Pan American Petroleum et al, non-operators, for Dakota formation, amended September 12, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20269

Oil and Gas Lease dated June 6, 1946 between Rudy Ferrari and Albina Ferrari, his wife as Lessors, and Southern Union Production Company as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 21: E 2/3 of N 3/4 of NW 1/4 SW 1/4
W 2/3 of N 3/4 of NE 1/4 SW 1/4

containing 40 acres, more or less, said lease being recorded in Book 89, Page 815, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23168
- (1) Pooling Agreement dated June 1, 1960 for Dakota formation, filed Book 465, Page 19.
 - (2) Operating Agreement, dated June 1, 1960 between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation, non-operator, for Dakota formation, amended effective January 1, 1976.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20270

Oil and Gas Lease dated August 30, 1946 between Joe Mangum and Mamie Mangum, his wife as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 26: NE 1/4 NW 1/4
Section 27: S 1/2 NW 1/4
Section 28: SE 1/4 NE 1/4
Section 29: SE 1/4 NE 1/4; N 1/2 SE 1/4; SW 1/4 SE 1/4.
Section 32: SE 1/4 SE 1/4
Section 33: SW 1/4 SW 1/4 (Lot 4)

containing 400 acres, more or less, said lease being recorded in Book 89, Page 819, Records of San Juan County, New Mexico;

The foregoing lease being subject to the following:

- 23004 (1) Communitization Agreement dated February 25, 1947 between Southern Union Production Company and Summitt Oil Company, amended August 15, 1960.
- (2) Designation of Pooled Unit dated February 25, 1947 by Southern Union Production Company, altered by Instrument effective November 1, 1960.
- (3) Declaration of Unitization dated March 7, 1963 by Pan American Petroleum Corporation for the Dakota formation only.
- 23156 (4) Communitization Agreement dated November 10, 1959.
- 23182 (5) Communitization Agreement dated November 29, 1960.
- (6) Operating Agreement dated November 29, 1960 between Aztec Oil & Gas Company, and Texas Pacific Coal and Oil Company, Pubco Petroleum Corporation, Redfern & Herd, Inc., as agent and Attorney-in-fact, and Carl H. Noel, covering only the Dakota formation. Amended effective December 1, 1975.

- 23220 (7) Communitization Agreement dated July 31, 1961, filed Book 505, Page 186 for Dakota formation.
- 500303 (8) Operating Agreement dated March 10, 1980 for Chacra and Dakota formations.
- 23248 (9) Communitization Agreement dated August 28, 1962 between Southern Union Production Company, Redfern & Herd, Inc., and Aztec Oil & Gas Company to and including only the Dakota formation.
- (10) Operating Agreement between Southern Union Production Company and Aztec Oil & Gas Company dated August 28, 1962 for the Dakota formation, amended February 1, 1980.
- 23249 (11) Communitization Agreement dated October 23, 1962 for only the Dakota formation.
- 23347 (12) Assignment of operating rights dated July 20, 1961 to Summit as to Dakota formation, Sullivan Gas Company "D" #1.
- 23348 (13) Assignment of operating rights dated November 1, 1961 to Amoco to the Dakota formation, Masden Gas Company #1.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20271

Oil and Gas Lease dated October 17, 1946, by and between John Dallabetta and wife, Rosa Dallabetta, and Bruno Giovanina and wife, Auvon Giovanina, as Lessors, and The Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 20: SE 1/4 SW 1/4

Section 29: NE 1/4 NW 1/4

containing 80 acres, more or less, said lease being recorded in Book 125, Page 90, Records of said San Juan County.

The foregoing lease being subject to:

- (1) Assignment of Operating Rights dated July 20, 1961, from Aztec Oil & Gas Company to Summit Oil Company.
- 23002 (2) Designation of Pooled Unit dated October 16, 1946, executed by Southern Union Production Company, recorded in Book 99, Page 636, Records of said San Juan County, as amended by Alteration of Pooled Unit dated as of October 18, 1960, recorded in Book 471, Page 105, of said Records.
- 23186 (3) Communitization Agreement dated November 3, 1960, executed by Redfern and Herd, Inc. et al, as amended by instrument dated as of July 26, 1961.
- (4) Operating Agreement dated December 17, 1979, by and between Pioneer Production Corporation, Operator, and Southland Royalty Company and Supron Energy Corporation, Non-Operators.
- 23245 (5) Communitization Agreement dated August 30, 1962 for the Dakota formation.
- (6) Designation of Pooled Unit dated October 3, 1962, filed Book 529, Page 251 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20272

Oil and Gas Lease dated June 6, 1946 between Mrs. John Sategna, a widow as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 21: S 1/2 SW 1/4, S 1/4 NW 1/4 SW 1/4, S 1/4 NE 1/4 SW 1/4

Section 28: NW 1/4 NW 1/4

containing 140 acres, more or less, said lease being recorded in Book 89, Page 814, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23168
- (1) Pooling Agreement dated June 1, 1960 for Dakota Formation, recorded Book 465, Page 19.
 - (2) Operating Agreement dated June 1, 1960 between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation, non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20273

Oil and Gas Lease dated October 8, 1946 between Tony William Faverino, et al as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 20: SE 1/4 SE 1/4

Section 29: NE 1/4 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 89, Page 817, Records of San Juan County, New Mexico, said lease amended by instrument dated February 23, 1961, recorded Book 478, Page 47 of said Records.

The foregoing lease being subject to:

- 23220 (1) Communitization Agreement dated July 31, 1961 for Dakota formation, recorded Book 505, Page 186.
- (2) Operating Agreement dated March 10, 1980, Southland Royalty Company, operator, for Dakota formation.
- 500303 (3) Operating Agreement dated March 10, 1980, Southland Royalty Company, operator, for Chacra formation.
- 23245 (4) Communitization Agreement dated August 30, 1962 for the Dakota formation.
- (5) Designation of Pooled Unit dated October 3, 1962, filed Book 529, Page 251 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20274

Oil and Gas Lease dated June 24, 1946 between Elizabeth Harris, a widow as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SW 1/4 SE 1/4

containing 40 acres, more or less, said lease being recorded in Book 125, Page 44, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23245 (1) Communitization Agreement dated August 30, 1962 for the
 Dakota formation.
- (2) Designation of Pooled Unit dated October 3, 1962 filed
 Book 529, Page 251 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20275

Oil and Gas Lease dated August 26, 1946 between Joe Salmon as Lessor and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 21: E 1/3 of N 3/4 of NE 1/4 SW 1/4
W 1/3 of N 3/4 of NW 1/4 SW 1/4

containing 20.0 acres, more or less, said lease being recorded in Book 125, page 45, Records of San Juan County, New Mexico

The foregoing lease being subject to:

- 23168
- (1) Pooling Agreement dated June 1, 1960 for Dakota formation, recorded Book 465, Page 19.
 - (2) Operating Agreement dated June 1, 1960 between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation, non-operator for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20276

Oil and Gas Lease dated August 27, 1946, by and between Joe Magnum and wife, Mamie Magnum, as Lessors, and Southern Union Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 28: N 1/2 S 1/2

containing 160 acres, more or less, said lease being recorded in Book 125, Page 53, Records of said San Juan County.

The foregoing lease being subject to:

- 23006 (1) Operating Agreement dated March 13, 1947, by and between Southern Union Production Company, Operator, and Summit Oil Company, Non-Operator
- (2) Designation of Pooled Unit dated March 13, 1947, executed by Southern Union Production Company, as amended by instrument dated as of July 1, 1960.
- (3) Communitization Agreement dated March 13, 1947, by and between Southern Union Production Company and Summit Oil Company, recorded in Book 126, Page 260, Records of said San Juan County, as amended by instrument dated July 1, 1960.
- 23007 (4) Operating Agreement dated July 17, 1947, by and between Southern Union Production Company, Operator, and Summit Oil Company, Non-Operator.
- (5) Designation of Pooled Unit dated July 17, 1947, executed by Southern Union Production Company, as amended by instrument dated as of July 1, 1960.
- (6) Communitization Agreement dated July 17, 1947, by and between Southern Union Production Company and Summit Oil Company, as amended by instrument dated July 1, 1960.
- 23221 (7) Communitization Agreement dated July 25, 1961, executed by Aztec Oil and Gas Company and Redfern and Herd, Inc., recorded in Book 505, Page 32, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20277

Oil and Gas Lease dated October 8, 1946, by and between W. R. Gibson and wife, Florence Lorene Gibson, as Lessors, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 20: SW 1/4 SW 1/4

Section 29: NW 1/4 NW 1/4

containing 80 acres, more or less, said lease being recorded in Book 125, Page 57, Records of said San Juan County, as amended by instrument dated November 10, 1960, recorded in Book 468, Page 170, of said Records.

The foregoing lease being subject to:

- 23002 (1) Designation of Pooled Unit dated October 16, 1946, executed by Southern Union Production Company, recorded in Book 99, Page 636, Records of said San Juan County, as amended by Alteration of Pooled Unit dated as of October 18, 1960, recorded in Book 471, Page 105, of said Records.
- 23186 (2) Communitization Agreement dated November 3, 1960, executed by Redfern and Herd, Inc. et al, as amended by instrument dated as of July 26, 1961.
- (3) Operating Agreement dated December 17, 1979, by and between Pioneer Production Corporation, Operator, and Southland Royalty Company and Supron Energy Corporation, Non-Operators.
- 23245 (4) Communitization Agreement dated August 30, 1962 for the Dakota formation.
- (5) Designation of Pooled Unit dated October 3, 1962, filed Book 529, Page 251 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20278

Renewal Oil and Gas Lease (Serial SF 071867) dated July 1, 1970 between United States of America through the Bureau of Land Management as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 11 West, N.M.P.M.

Section 10: S 1/2 SE 1/4

Section 11: S 1/2 S 1/2

containing 240 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- (1) Communitization Agreement dated December 22, 1960 for Dakota formation.
- (2) Operating Agreement dated July 10, 1953 between Paul S. Albright et al, and Aztec Oil & Gas Company.
- (3) Operating Agreement dated July 1, 1977 for Pictured Cliffs formation, operator, Aztec Oil & Gas Company.
- 23247 (4) Communitization Agreement dated August 29, 1962 for Dakota formation.
- (5) Operating Agreement dated August 29, 1962 between Southern Union Production Company, operator and Aztec Oil & Gas Company, non-operator, for Dakota formation. Amended November 1, 1975, amended February 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20279

Oil and Gas Lease (S.F. 077874) dated April 1, 1948 between United States of America as Lessor, and Dorothy L. Hanks as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.

Section 5: Lots 1, 2, 5, 6, 7, 8, S 1/2 NE 1/4, S 1/2

Section 6: Lots 6-15 inclusive, E 1/2 SW 1/4, SE 1/4

Section 7: Lots 1, 2, 3, 4, E 1/2 W 1/2, E 1/2

Township 27 North, Range 10 West, N.M.P.M.

Section 2: Lots 1, 2

Section 12: Lots 1, 2, 3, W 1/2 NE 1/4, W 1/2

containing 2585.94 acres, more or less, said lease being recorded in Book 420, Page 34, Records of said San Juan County.

The foregoing lease being subject to:

- 23177 (1) Communitization Agreement (Dakota formation) dated October 10, 1960 between Aztec Oil & Gas Company, Pan American Petroleum Corporation, et al recorded in Book 488, Page 169 of said records.
- 500384 (2) Communitization Agreement dated June 17, 1980 Southland Royalty Company, operator, for Pictured Cliffs formation.
- (3) Operating Agreement dated June 17, 1980 between Southland Royalty Company, Amoco Production Company, et al, relating to the Pictured Cliffs and Dakota formations.
- 23264 (4) Communitization Agreement (Dakota formation) dated January 11, 1965 between Sunset International Petroleum Corporation, Aztec Oil & Gas Company, et al.
- (5) Operating Agreement dated January 11, 1965 between Sunset International Petroleum Corporation and Aztec Oil & Gas Company relating to Dakota formation.
- 23299 (6) Communitization Agreement (Pictured Cliffs formation) dated March 16, 1967 between El Paso Natural Gas Company, Aztec Oil & Gas Company, et al, recorded in Book 651, Page 276, of said records.

- (7) Operating Agreement dated March 16, 1967 between El Paso Natural Gas Company and Aztec Oil & Gas Company relating to Pictured Cliffs formation.
- (8) Operating Agreement dated September 15, 1952 between Aztec Oil & Gas Company, Paul S. Albright, et al, recorded in Book 420, Page 42 of said records.
- (9) Operating Agreement dated February 1, 1954 between Aztec Oil & Gas Company, et al, recorded in Book 420, page 40 of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20280

Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended (Serial Santa Fe 080244) dated October 1, 1946 between United States of America as Lessor, and Tom Bolack as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 9 West, N.M.P.M.

Section 7: SE 1/4
Section 17: SE 1/4, SW 1/4
Section 18: SE 1/4
Section 21: N 1/2, SE 1/4

containing 1120 acres, more or less, said lease being recorded in Book Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23015 (1) Communitization Agreement dated May 22, 1952 by and between El Paso Natural Gas Company, Delhi Oil Corporation and Maurice J. Florance, down to and including Mesaverde formation.
- 23016 (2) Communitization Agreement dated August 19, 1966 for the Dakota formation only.
- 23016 (3) Communitization Agreement dated July 31, 1950 between Blanco Gas Company, Delhi Oil Corporation and E. G. Bradley.
- 23016 (4) Operating Agreement dated May 13, 1966 by and between Aztec Oil & Gas Company, Continental Oil Company and Tenneco Oil Company.
- 23096 (5) Communitization Agreement dated March 29, 1955 for Mesaverde formation.
- (6) Operating Agreement dated March 29, 1955 between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company et al for Mesaverde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20281

Lease of Oil and Gas Lands (Serial Santa Fe 077084), dated as of November 1, 1946, by and between the United States of America, as Lessor, and Mrs. Alice R. Hubbell, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 10 West, N.M.P.M.
Section 29: N 1/2 NW 1/4; SE 1/4 NW 1/4; N 1/2 NE 1/4

containing 200 acres, more or less, said lease being recorded in Book 126, Page 464, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 23040 (1) Communitization Agreement dated October 19, 1951, by and between Aztec Oil & Gas Company, El Paso Natural Gas Company, and Ralph A. Johnston et al, recorded in Book 175, Page 273, Records of said San Juan County.
- (2) Operating Agreement dated October 19, 1951, by and between Aztec Oil & Gas Company, Operator, and El Paso Natural Gas Company, Non-Operator, as amended.
- 23053 (3) Communitization Agreement dated January 2, 1953, by and between Aztec Oil & Gas Company et al, recorded in Book 228, Page 6, Records of said San Juan County.
- (4) Operating Agreement dated January 2, 1953, by and between Aztec Oil & Gas Company, Operator, and Stanolind Oil and Gas Company, Non-Operator, as amended.
- 23215 (5) Communitization Agreement dated November 8, 1961, by and between Aztec Oil & Gas Company et al, recorded in Book 526, Page 113, Records of said San Juan County.
- (6) Operating Agreement dated October 29, 1958, by and between Pan American Petroleum Corporation, Operator, and El Paso Natural Gas Company et al, Non-Operators, as amended.
- (7) Operating Agreement dated June 20, 1980, by and between Southland Royalty Company, Operator, and Conoco, Inc. et al, Non-Operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20282

Oil and Gas Lease (Lease No. E-397), dated June 11, 1945, by and between the State of New Mexico, as Lessor, and Southern Union Gas Company, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico;

Township 28 North, Range 11 West, N.M.P.M.
Section 18: SW 1/4 NE 1/4 (40 acres)

Township 29 North, Range 10 West, N.M.P.M.
Section 2: Lot 1 (41.86 acres)

Township 30 North, Range 11 West, N.M.P.M.
Section 36: NW 1/4 NE 1/4 (40 acres)

Township 30 North, Range 12 West, N.M.P.M.
Section 16: NW 1/4 NE 1/4, NE 1/4 NW 1/4 (80 acres)

Township 31 North, Range 11 West, N.M.P.M.
Section 32: NE 1/4 NE 1/4, SE 1/4 NE 1/4 (80 acres)

Township 30 North, Range 9 West, N.M.P.M.
Section 16: SW 1/4 NW 1/4, NE 1/4 SW 1/4 (80 acres)

containing 361.86 acres, more or less.

The foregoing lease being subject to:

- 23030 (1) Communitization Agreement dated May 3, 1951, by and between Delhi Oil Corporation et al.
- (2) Operating Agreement dated May 4, 1951, by and between Delhi Oil Corporation, Operator, and Aztec Oil & Gas Company and Skelley Oil Company, Non-Operators, as amended.
- 23094 (3) Communitization Agreement dated August 1, 1955, by and between Pubco Development, Inc. et al.
- (4) Operating Agreement dated August 1, 1955, by and between Pubco Development, Inc., Operator, and The Texas Company et al, Non-Operators, as amended.
- 23126 (5) Communitization Agreement dated February 1, 1957, by and between El Paso Natural Gas Company et al.
- (6) Operating Agreement dated February 1, 1957, by and between El Paso Natural Gas Company, Operator, and Aztec Oil & Gas Company, Non-Operator, as amended.

- 23130 (7) Communitization Agreement dated July 19, 1957, by and between Pan American Petroleum Corporation, Operator, and Aztec Oil & Gas Company, Non-Operator, recorded in Book 341, Page 153, Records of said San Juan County.
- (8) Operating Agreement dated July 19, 1957, by and between Pan American Petroleum Corporation, Operator, and Aztec Oil & Gas Company, Non-Operator, as amended.
- 23218 (9) Communitization Agreement dated July 21, 1961, by and between El Paso Natural Gas Company, Aztec Oil & Gas Company and Delhi-Taylor Oil Corporation.
- (10) Operating Agreement dated July 21, 1965, by and between El Paso Natural Gas Company, Operator, and Aztec Oil & Gas Company, Non-Operator, as amended.
- 23259 (11) Communitization Agreement dated October 21, 1964, by and between Pubco Petroleum Corporation et al.
- (12) Operating Agreement dated October 1, 1979, by and between Mesa Petroleum Company, Operator, and El Paso Natural Gas Company et al, Non-Operators.
- 23274 (13) Communitization Agreement dated March 11, 1970, by and between Pan American Petroleum Corporation et al, recorded in Book 685, Page 30, Records of said San Juan County.
- (14) Communitization Agreement dated March 1, 1965, by and between Pan American Petroleum Corporation, Texaco Inc. and Aztec Oil & Gas Company.
- (15) Operating Agreement dated March 1, 1965, by and between Pan American Petroleum Corporation, Operator, and Texaco Inc. and Aztec Oil & Gas Company, Non-Operators, as amended.
- 23317 (16) Communitization Agreement dated June 2, 1969, by and between El Paso Natural Gas Company et al.
- (17) Operating Agreement dated June 2, 1969, by and between El Paso Natural Gas Company, Operator, and Aztec Oil & Gas Company and Texas Pacific Oil Company, Inc., Non-Operators, recorded in Book 673, Page 259, Records of said San Juan County.
- 23382 (18) Unit Agreement dated November 1, 1950, by and between Earl A. Benson and William V. Montin, as Unit Operator and Working Interest Owner, and Stanolind Oil and Gas Company et al, as Working Interest Owners, and any and all amendments and revisions thereof.

- (19) Unit Operating Agreement dated January 15, 1951, by and between Earl A. Benson and William V. Montin, as Unit Operator, and Stanolind Oil and Gas Company et al, as Working Interest Owners, and any and all amendments and revisions thereof.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20283

Oil and Gas Lease dated July 8, 1949 between M. H. McGrail, a single man, as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 13: E 1/2 SW 1/4; SW 1/4 NW 1/4

Section 14: SE 1/4 NE 1/4

containing 160 acres, more or less, said lease being recorded in Book 136, Page 123, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23039 (1) Communitization Agreement dated February 6, 1952 between Aztec Oil & Gas Company and Quilman B. Davis and Vivian East relating to formations from surface to and including Mesaverde formation recorded in Book 177, Page 485 of said records.
- 23228 (2) Communitization Agreement dated March 15, 1962 between Aztec Oil & Gas Company, and R. B. Lea et al, relating to Dakota formation, recorded in Book 546, Page 132 of said records.
- 23027 (3) Communitization Agreement dated June 1, 1954 between Aztec Oil & Gas Company, A. S. Griner, et al, relating to Mesaverde formation, recorded in Book 287, page 149, of said records.
- (4) Declaration of Pooling dated April 5, 1960 by Aztec Oil & Gas Company relating to Pictured Cliffs formation, recorded in Book 450, page 62 of said records.
- (5) Declaration of Pooled Unit dated August 1, 1951 by Aztec Oil & Gas Company, recorded in Book 166, Page 426 of said records.
- (6) Designation of Pooled Unit dated March 17, 1952 by Aztec Oil & Gas Company, recorded in Book 177, Page 544 of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20284

Oil and Gas Lease dated July 6, 1949 between Maria I. Harper, and Aaron B. Harper, her husband, as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 13: W 1/2 SW 1/4

Section 14: E 1/2 SE 1/4

containing 160 acres, more or less, said lease being recorded in Book 136, Page 116, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23027 (1) Communitization Agreement dated July 18, 1951 between Aztec Oil & Gas Company and A. S. Grenier and Roy L. Flood and his wife, Dixie D. Flood, relating to Mesaverde formation, recorded in Book 287, Page 149 of said records.
- (2) Designation of Pooled Unit dated August 1, 1951, by Aztec Oil & Gas Company, recorded in Book 166, Page 426 of said records.
- 23039 (3) Communitization Agreement dated February 6, 1952 between Aztec Oil & Gas Company and Quilman B. Davis and Vivian East, relating to formations to and including Mesaverde formation, recorded in Book 177, Page 485, of said records.
- (4) Designation of Pooled Unit dated March 17, 1952 by Aztec Oil & Gas Company, recorded in Book 177, Page 544, of said records.
- 23228 (5) Communitization Agreement dated March 15, 1962 between Aztec Oil & Gas Company, R. B. Lea, et al, relating to Dakota formation, recorded in Book 546, Page 132 of said records.
- (6) Declaration of Pooling dated April 5, 1960 by Aztec Oil & Gas Company relating to Pictured Cliffs formation, recorded in Book 450, Page 62, of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20285

Oil and Gas Lease dated February 1, 1948, between United States of America, as Lessor, and Roy L. Flood, as Lessee, (SF-078115) covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 6: Lots 1, 2, 3, 4, 7, S 1/2 NE 1/4, SE 1/4 NW 1/4,
E 1/2 SW 1/4, SE 1/4

Section 7: Lots 1, 2, 3, 4, E 1/2 W 1/2

Section 18: Lots 1, 2, 3, 4, E 1/2 W 1/2

Section 20: W 1/2

Section 31: Lots 1, 2, 3, E 1/2 NW 1/4, SW 1/4 NE 1/4

Section 34: N 1/2 NW 1/4, SW 1/4 NW 1/4

Section 35: E 1/2 SE 1/4, SW 1/4 SE 1/4

Township 31 North, Range 12 West, N.M.P.M.

Section 13: E 1/2, E 1/2 NW 1/4, NW 1/4 NW 1/4

containing 2,439.39 acres, more or less.

The foregoing lease being subject to:

- 23022 (1) Communitization Agreement dated May 24, 1951, recorded Volume 166, Page 533, Records of San Juan County, New Mexico.
- 23024 (2) Communitization Agreement dated May 29, 1951, for production from dry gas and associated hydrocarbons recorded Volume 166, Page 489, Records of San Juan County, New Mexico.
- 23024 (3) Communitization Agreement dated May 29, 1951, recorded Volume 166, Page 489, Records of San Juan County, New Mexico, and as amended December 16, 1957, recorded Volume 526, Page 193, Records of San Juan County, New Mexico.
- 23027 (4) Communitization Agreement dated June 1, 1954, for Mesaverde formation, recorded Volume 287, Page 149, Records of San Juan County, New Mexico.
- 23113 (5) Communitization Agreement dated June 1, 1956, for Mesaverde formation filed in Book 309, Page 152, Records of San Juan County, New Mexico.

- (6) Operating Agreement dated June 1, 1956, between El Paso Natural Gas Company, Operator, and Aztec Oil & Gas Company, Non-Operator, for Mesaverde formation.
- 23125 (7) Designation of Pooled Acreage dated February 1, 1957, covering rights down to and including the Mesaverde formation.
- (8) Communitization Agreement dated February 20, 1957, for Mesaverde and Pictured Cliffs formation, filed in Book 367, Page 144.
- (9) Operating Agreement dated February 20, 1957, between El Paso Natural Gas Company, Operator, and Aztec Oil & Gas Company et al, Non-Operators, for Pictured Cliffs formation.
- (10) Operating Agreement dated March 4, 1980, between El Paso Natural Gas Company, Operator, and Southland Royalty Company et al, Non-Operators, for Mesaverde formation.
- 23358 (11) Communitization Agreement dated May 17, 1973, for Pictured Cliffs formation.
- (12) Operating Agreement dated May 17, 1973, for Pictured Cliffs formation, filed in Book 721, Page 245, El Paso Natural Gas Company, Operator, and Southland Royalty Company, Non-Operator.
- 500047 (13) Operating Agreement dated November 10, 1979, by and between Tenneco Oil Company, as Operator, and Southland Royalty Company et al, as Non-Operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20286

Oil and Gas Mining Lease dated May 10, 1945 between Edward B. Dusenberry and his wife, Cornelia N. Dusenberry as Lessors, and William Mansfield as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 6: Lots 5, 6

Township 31 North, Range 12 West, N.M.P.M.
Section 1: Lot 2, S 1/2 NE 1/4, N 1/2 SE 1/4, SE 1/4 SE 1/4

containing 315.22 acres, more or less, said lease being recorded in Book 89, Page 801, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23022 (1) Communitization Agreement dated May 24, 1951 between Aztec Oil & Gas Company and A. S. Grenier, Edward B. Dusenberry and his wife Cornelia N. Dusenberry, and Roy L. Flood and his wife, Dixie L. Flood and William Mansfield and his wife, Jane Mansfield, recorded in Book 166, Page 533 of the Records of San Juan County, New Mexico.
- 23254 (2) Communitization Agreement dated July 1, 1964 for Dakota formation, filed Book 584, Page 80.
- (3) Communitization Agreement dated December 15, 1979 for Gallup formation.
- 23023 (4) Communitization Agreement dated May 11, 1954 for Mesaverde formation, filed Book 262, Page 148.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20288

Lease of Oil and Gas Lands (Serial New Mexico 01614), dated as of April 1, 1950, by and between the United States of America, as Lessor, and Van Thompson, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 27: All

Section 28: All

Section 33: All

Section 34: All

containing 2,560 acres, more or less, said lease being recorded in Book 893, Page 14, Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20289

Oil and Gas Mining Lease - Allotted Indian Lands (I-149-IND-8467) dated June 9, 1950, by and between Allot. No. 011499 - Claw or Navajo John; Allot. No. 011500 - E-kid-e-pah; Allot. No. 062702 - Kay-ne-pah; or their heirs, as the case may be, as Lessors, and F. D. Jernigan, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.
Section 24: NE 1/4, SE 1/4, SW 1/4

containing 480 acres, more or less, less and except the gas rights from the surface to the base of the Pictured Cliffs Formation in and under the SW 1/4 of said Section 24.

The foregoing lease being subject to:

- 23403
- (1) Unit Agreement for the Development and Operation of the Huerfanito Unit area, dated May 31, 1951, by and between Magnolia Petroleum Company, Unit Operator, and Frank M. Denman, Jr. et al, and any and all amendments and revisions thereof.
 - (2) Huerfanito Unit Operating Agreement dated May 31, 1951, by and between Magnolia Petroleum Company, operator, and Standard Oil Company of Texas et al, non-operators, and any and all amendments and revisions thereof.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20290

Oil and Gas Mining Lease - Allotted Indian Lands Navajo Tribe - (I-149-IND-8470), dated June 9, 1951, by and between Allot. No. 028276 - Bah-Eazzie; Allot. No. 031166 - Ah-chin-hos-pah (Heirs of); Allot. No. 031168 - Hah-he-pah; Allot. No. 02827 - Els-tso-nas-pah; as Lessors, and F. D. Jernigan, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 12 West, N.M.P.M.
Section 30: Lots 1, 2, 3, 4, E 1/2 NW 1/4, E 1/2 SW 1/4,
E 1/2 (all)

containing 624.60 acres, more or less.

The foregoing lease being subject to:

- 23382
- (1) Unit Agreement for the Development and Operation of the Gallegos Canyon Unit Area, dated November 1, 1950, by and between Earl A. Benson and William V. Montin, as Unit Operator and Working Interest Owner, and Stanolind Oil and Gas Company et al, as Working Interest Owners, and any and all amendments and revisions thereof.
 - (2) Unit Operating Agreement dated January 15, 1951, by and between Earl A. Benson and William V. Montin, as Unit Operator, and Stanolind Oil and Gas Company et al, as Working Interest Owners, and any and all amendments and revisions thereof.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20291

Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended (Serial Santa Fe 080781) dated January 1, 1949 between United States of America as Lessor, and John S. Cain as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 9 West, N.M.P.M.

Section 19: Lots 6 and 9 (formerly 2 and 3)
Section 30: Lots 5-15, incl. (formerly lots 1, 2, 3, 4,
E 1/2 E 1/2, E 1/2 SW 1/4, W 1/2 SE 1/4)
Section 31: All

Township 28 North, Range 10 West, N.M.P.M.

Section 14: NW 1/4, NW 1/4 NE 1/4
Section 15: All
Section 16: W 1/2, NE 1/4, NE 1/4 SE 1/4

containing 2258.46 acres, more or less, said lease being recorded in Book 382, Page 154, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23087 (1) Communitization Agreement dated March 17, 1955 for Pictured Cliffs formation, filed Book 278, Page 102.
- 23131 (2) Communitization Agreement dated July 16, 1958 between Pan American Petroleum Corporation, operator, and El Paso Natural Gas Company, et al, non-operators for Mesaverde formation.
- (3) Operating Agreement dated July 16, 1958 between Pan American Petroleum Corporation as operator, and Aztec Oil & Gas Company, et al, non-operators for the Mesaverde formation.
- 23134 (4) Communitization Agreement dated January 6, 1958 between Pan American Petroleum Corporation, operator, and El Paso Natural Gas Company, et al, non-operators for Mesaverde formation.
- (5) Operating Agreement dated March 15, 1978 between Amoco Production Company, as operator, and Southland Royalty Company, et al as non-operators for the Mesaverde formation.

- 23150 (6) Communitization Agreement dated October 18, 1960 recorded in Book 493, Page 126, for Dakota formation.
- (7) Operating Agreement dated October 18, 1960 between Aztec Oil & Gas Company (now Southland Royalty Company), as operator, and Pan American Petroleum Corporation et al, as non-operators for the Dakota formation. Amended January 7, 1976.
- 23170 (8) Communitization Agreement dated June 13, 1960 for the Dakota formation, filed Book 460, Page 179.
- 23267 (9) Communitization Agreement dated March 12, 1965 for Dakota formation.
- (10) Operating Agreement dated March 12, 1965 between Pan American Petroleum Corporation as operator and El Paso Natural Gas Company et al, as non-operators, for Dakota formation. Amended January 1, 1976, amended January 1, 1980.
- 23268 (11) Communitization Agreement dated March 1, 1965 for Dakota formation.
- (12) Operating Agreement dated March 1, 1965 for Dakota formation, Pan American Petroleum Corporation, operator. Amended January 1, 1976 and January 1, 1980.
- 23330 (13) Communitization Agreement dated January 5, 1970 for Pictured Cliffs formation, filed Book 678, Page 213.
- (14) Operating Agreement dated January 5, 1970 for Pictured Cliffs formation. Amended January 1, 1976 and January 1, 1980.
- 23339 (15) Communitization Agreement dated June 5, 1970 for Pictured Cliffs formation, filed Book 685, Page 87.
- (16) Operating Agreement dated June 5, 1970, between Pan American Petroleum Corporation, as operator, and Aztec Oil & Gas Company (now Southland Royalty Company) as non-operator. Amended May 1, 1980.
- 23344 (17) Communitization Agreement dated November 2, 1970 for Pictured Cliffs formation, filed Book 685, Page 270.
- (18) Operating Agreement dated November 2, 1970 for Pictured Cliffs formation, Pan American Petroleum Corporation, operator. Amended January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20292

Oil and Gas Lease dated May 5, 1950 between C. C. Culpepper and Ethelwyn Culpepper, his wife, Willis Martin and Ella K. Martin, his wife, as Lessors, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Tracts 15 to 34, inclusive, Block 12 Glades Orchard Tracts according to the recorded Plat thereof filed in the Plat Book, Page 92 in said County,

containing 200 acres, more or less, said lease being recorded in Book 146, Page 135A, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23031 (1) Pooling Agreement dated July 12, 1951 between C. C. Culpepper and Ethelwyn Culpepper, his wife, and Willis Martin and Ella K. Martin, his wife, and Southern Union Gas Company, recorded in Book 166, Page 572 of said records.
- 23153 (2) Pooling Agreement dated March 1, 1960 between Aztec Oil & Gas Company, Herman A. Daugherty, et al relating to Mesaverde formation.
- 23154 (3) Pooling Agreement dated November 15, 1960 between Aztec Oil & Gas Company, Herman A. Daugherty, et al relating to Dakota formation.
- 23155 (4) Pooling Agreement dated March 1, 1960 between Aztec Oil & Gas Company, C. C. Culpepper, et al relating to Mesaverde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20293

Lease of Oil and Gas Lands (Serial New Mexico 02294), dated as of May 1, 1948, by and between the United States of America, as Lessor, and H. K. Riddle, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.

Section 8: S 1/2 SW 1/4, E 1/2

Section 9: W 1/2

Section 17: NW 1/4, N 1/2 SW 1/4

containing 960 acres, more or less, said lease being recorded in Book 306, Page 168, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 23036 (1) Communitization Agreement dated October 26, 1951, by and between Southern Union Gas Company et al, recorded in Book 180, Page 10, Records of said San Juan County.
- (2) Operating Agreement: November 13, 1951, by and between Southern Union Gas Company, operator, and the Bay Petroleum Corporation, non-operator, as amended.
- 23178 (3) Communitization Agreement dated September 23, 1960, by and between Aztec Oil & Gas Company et al, recorded in Book 471, Page 10, Records of said San Juan County.
- 23181 (4) Communitization Agreement dated March 28, 1961, by and between Aztec Oil & Gas Company et al, recorded in Book 486, Page 123, Records of said San Juan County.
- 23343 (5) Communitization Agreement dated November 2, 1970, by and between Aztec Oil & Gas Company and Tenneco Oil Company, recorded in Book 685, Page 280, Records of said San Juan County.
- (6) Operating Agreement dated November 2, 1970, by and between Aztec Oil & Gas Company, operator, and Tenneco Oil Company, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20294

Oil and Gas Lease dated April 28, 1950 between Ivan W. Chamberlin and wife, Ruby Marie Chamberlin as Lessors, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.

Section 11: SE 1/4 SE 1/4

Section 12: SW 1/4 SW 1/4, less and except all formations down to and including Mesaverde formation.

Section 14: E 1/2 NW 1/4, NE 1/4

containing 320 acres, more or less, said lease being recorded in Book 146, Page 510, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23019 (1) Designation of Pooled Unit dated May 16, 1951, filed in Book 157, Page 542.
- (2) Communitization Agreement dated May 18, 1951 between Southern Union Gas Company, Lessee and J. D. Hubbard and his wife, Wardie L. Hubbard, and Leo R. Manning and his wife Mabel H. Manning, as Override Owners.
- 23020 (3) Communitization Agreement dated May 18, 1951 between Southern Union Gas Company, Lessee, and J. D. Hubbard and his wife Wardie L. Hubbard, and Leo R. Manning and his wife Mabel H. Manning, as Override Owners, recorded in Book 166, Page 523.
- (4) Designation of Pooled Unit dated May 16, 1951, filed Book 157, Page 539.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20295

Lease of Oil and Gas Lands (originally SF 078895 - now NM 02988), dated as of July 1, 1947, by and between the United States of America, as Lessor, and Sibyl Oneda Holloway, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 11 West, N.M.P.M.
Section 17: W 1/2

containing 320 acres, more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20296

Oil and Gas Lease dated July 1, 1947 between United States of America as Lessor and A. D. Hudson (NM-03465) as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.
Section 29: All

containing 640 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20297

Oil and Gas Lease dated July 15, 1947 between Calvin R. Dabbs and Myra M. Dabbs, husband and wife as Lessors, and Wayne Moore as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 34: NE 1/4 SE 1/4, 20 acres in SW 1/4 NE 1/4 (East of Animas River), and 10 acres out of NW 1/4 SE 1/4, more particularly described in lease.

Section 35: NW 1/4 SW 1/4

containing 110 acres, more or less, said lease being recorded in Book 130, Page 31, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23104 (1) Communitization Agreement dated December 15, 1956 between El Paso Natural Gas Company, et al, for Pictured Cliffs formation and/or Mesaverde formations.
- (2) Operating Agreement dated December 15, 1956 between El Paso Natural Gas Company et al, for Pictured Cliffs formation and/or Mesaverde formation.
- 23024 (3) Communitization Agreement dated May 29, 1951 between Southern Union Gas Company and A. S. Grenier, Lessees, and Calvin R. Dabbs and his wife Myra M. Dabbs, and Roy L. Flood and his wife Dixie D. Flood for all above described land. Amended December 16, 1957 for ownership filed Book 160, Page 105. Aztec-Alston #1 and Aztec-Titt #2.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20299

Oil and Gas Lease (S.F. 078215-A) dated April 1, 1948 between the United States of America as Lessor, and C. S. Page, Jr., as Lessee, insofar as said lease covers and affects the following land situated in San Juan County, New Mexico:

Township 32 North, Range 10 West, N.M.P.M.

Section 18: N 1/2

Section 19: Lots 1, 2, 3, 4, E 1/2 W 1/2

containing 635.89 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between John S. Coin et al, and Aztec Oil & Gas Company, recorded in Book 266, Page 35, of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20302

Oil and Gas Lease dated March 27, 1947 between C. C. Culpepper and Ethelwyn Culpepper, husband and wife, and Willis Martin and Ella K. Martin, husband and wife, as Lessor, and E. H. White as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.

Section 9: SE 1/4 SE 1/4
Section 10: SW 1/4, W 1/2 SE 1/4
Section 15: NW 1/4, W 1/2 NE 1/4, NW 1/4 SE 1/4, N 1/2 SW 1/4
Section 19: E 1/2 SW 1/4; SE 1/4
Section 20: S 1/2; SE 1/4 NW 1/4
Section 21: All
Section 22: W 1/2 W 1/2
Section 28: W 1/2, W 1/2 E 1/2, SE 1/4 SE 1/4
Section 29: All
Section 30: E 1/2, E 1/2 W 1/2, W 1/2 SW 1/4, SW 1/4 NW 1/4
Section 32: All
Section 33: W 1/2 E 1/2, E 1/2 NE 1/4, NE 1/4 SE 1/4, W 1/2

(Excepting from the foregoing a portion thereof described as Tracts 15-34, inclusive, in Block 12, in the Glades Orchard Tracts being designated on a map and statement thereof filed November 16, 1909, in Plat Book, Page 92 in the office of the Clerk of San Juan County, New Mexico, containing 200 acres)

Township 31 North, Range 12 West, N.M.P.M.

Section 5: N 1/2 N 1/2, SE 1/4 NE 1/4
Section 4: NW 1/4, W 1/2 NE 1/4, NW 1/4 SE 1/4, N 1/2 SW 1/4

containing 5400 acres, more or less, said lease being recorded in Book 126, Page 205 of said records and as amended by instruments recorded in Book 160, Page 42 and Book 296 Page 40 of said records.

The foregoing lease being subject to:

- 23026-00
- (1) Communitization Agreement dated June 22, 1951 between Southern Union Gas Company, Lessee, J. D. Hubbard and his wife Wardie L. Hubbard, Leo R. Manning and his wife Mabel H. Manning, as amended April 5, 1979, relating to Mesaverde and Dakota formation, recorded in Book 166, Page 553 of said records.
 - (2) Designation of Pooled Unit by Southern Union Gas Company, dated June 27, 1951, recorded in Book 162, Page 71 of said records. Amended April 5, 1979 to limit to Mesaverde and Pictured Cliffs and Dakota formations, recorded in Book 858, Page 116 of said records.

- 23026-01 (3) Communitization Agreement dated April 5, 1979, between Southland Royalty Company, Mary C. Martin, et al relating to Pictured Cliffs formation, recorded in Book 882, Page 2 of said records.
- 23031 (4) Pooling Agreement dated July 12, 1951 between C. C. Culpepper and Ethelwyn Culpepper, his wife, and Willis Martin and Ella K. Martin, his wife, and Southern Union Gas Company, recorded in Book 166, Page 572 of said records.
- 23106 (5) Communitization Agreement dated March 26, 1956 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al, relating to Mesaverde formation, recorded in Book 301, Page 70 of said records.
- (6) Operating Agreement dated March 26, 1956 between Aztec Oil & Gas Company and El Paso Natural Gas Company relating to formations under Communitization Agreement No. 23106 referenced above.
- 23107 (7) Communitization Agreement dated March 26, 1956 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al relating Mesaverde formation, recorded Book 301, Page 38 of said records.
- (8) Operating Agreement dated March 26, 1956 between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, non-operator, relating to Mesaverde formation under Communitization Agreement No. 23107 referenced above.
- 23108 (9) Communitization Agreement dated March 14, 1956 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al, relating to Mesaverde formation recorded in Book 309, Page 151, of said records.
- (10) Operating Agreement dated March 14, 1956 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al, relating to Mesaverde formation under Communitization Agreement No. 23108 referenced above.
- 23109 (11) Communitization Agreement dated March 14, 1956 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al, relating to Mesaverde formation, recorded in Book 300, Page 160.
- (12) Operating Agreement dated March 14, 1956 between El Paso Natural Gas Company and Aztec Oil & Gas Company, relating Mesaverde formation under Communitization Agreement No. 23109 referenced above.

- 23127 (13) Communitization Order dated March 15, 1957 between Pan American Petroleum Corporation, operator and Aztec Oil & Gas Company, non-operator, relating to Mesaverde formation.
- (14) Operating Agreement dated March 15, 1957 between Pan American Petroleum Corporation, operator and Aztec Oil & Gas Company, non-operator relating to Mesaverde formation under Communitization Agreement No. 23127 referenced above.
- 23136 (15) Communitization Agreement dated March 3, 1958 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al relating to Mesaverde formation recorded in Book 378, Page 12 of said records.
- (16) Operating Agreement dated March 3, 1958 between Aztec Oil & Gas Company, operator and El Paso Natural Gas Company et al, non-operators relating to Mesaverde formation under Communitization Agreement No. 23136 referenced above.
- 23137 (17) Communitization Agreement dated March 12, 1958 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al, relating to Mesaverde formation, recorded in Book 382, Page 46 of said records.
- (18) Operating Agreement dated March 12, 1958 between Aztec Oil & Gas Company, operator and El Paso Natural Gas Company, et al, non-operators, relating to Mesaverde formation under Communitization Agreement No. 23137 referenced above.
- 23153 (19) Pooling Agreement dated March 1, 1960 between Aztec Oil & Gas Company, C. C. Culpepper et al relating to Mesaverde formation.
- 23154 (20) Pooling Agreement dated November 15, 1960 between Aztec Oil & Gas Company, C. C. Culpepper, et al, relating to Dakota formation.
- 23155 (21) Pooling Agreement dated March 1, 1960 between Aztec Oil & Gas Company, C. C. Culpepper, et al, relating to Mesaverde formation.
- 23163 (22) Communitization Agreement dated May 1, 1960 between El Paso Natural Gas Company and Aztec Oil & Gas Company, relating to Mesaverde formation, recorded in Book 454, Page 48 of said records.

- (23) Operating Agreement dated May 1, 1960 between El Paso Natural Gas Company, operator and Aztec Oil & Gas Company, non-operator, relating to Mesaverde formation under Communitization Agreement No. 23163 referenced above.
- 23280 (24) Communitization Agreement dated April 5, 1966 between El Paso Natural Gas Company and Aztec Oil & Gas Company, relating Mesaverde formation.
- 23280 (25) Communitization Agreement dated April 5, 1966 between El Paso Natural Gas Company and Aztec Oil & Gas Company, relating to Dakota formation.
- (26) Operating Agreement dated April 5, 1966 between El Paso Natural Gas Company and Aztec Oil & Gas Company, et al, relating to Dakota and Mesaverde formations, amended April 22, 1966 and June 1, 1978.
- 23284 (27) Designation of Pooled Unit by Aztec Oil & Gas Company dated May 27, 1966 relating to Dakota formation, recorded in Book 629, Page 63 of said records.
- (28) Designation of Pooled Unit dated December 30, 1966 by Aztec Oil & Gas Company, relating to Mesaverde formation recorded in Book 645, Page 23 of said records.
- (29) Communitization Agreement dated June 8, 1966 between Aztec Oil & Gas Company, J. P. Hubbard, et al, relating to Dakota formation, recorded in Book 639, Page 90 of said records.
- (30) Communitization Agreement dated October 15, 1966 between Aztec Oil & Gas Company, J. P. Hubbard, et al, relating to Mesaverde formation.
- 23287 (31) Communitization Agreement dated August 29, 1966 between Aztec Oil & Gas Company, Tenneco Oil Company and Continental Oil Company relating to Dakota formation, filed Book 645, Page 108.
- (32) Operating Agreement dated August 29, 1966 between Aztec Oil & Gas Company and Continental Oil Company relating to Dakota formation.
- 23292 (33) Communitization Agreement dated August 5, 1966 between Aztec Oil & Gas Company, Tenneco Oil Company and Continental Oil Company relating to Dakota formation, recorded in Book 639, Page 97 of said records.

- (34) Operating Agreement dated August 5, 1966 between Aztec Oil & Gas Company and Continental Oil Company relating to Dakota formation as amended January 1, 1980.
- 23316 (35) Communitization Agreement dated March 27, 1969 between Aztec Oil & Gas Company, J. P. Hubbard, et al, relating to Mesaverde formation, amended January 1, 1980, recorded in Book 673, Page 119 of said records.
- 23318 (36) Communitization Agreement dated March 27, 1969 between Aztec Oil & Gas Company, and C. C. Culpepper et al, relating to Mesaverde formation recorded in Book 673, Page 155 of said records.
- (37) Communitization Agreement dated March 27, 1969 between Aztec Oil & Gas Company, and C. C. Culpepper et al, relating to Dakota formation, recorded in Book 673, Page 156.
- (38) Communitization Agreement dated June 1, 1979 between Aztec Oil & Gas Company, Ethel Parnel, et al, relating to Pictured Cliffs formation, recorded in Book 877, Page 75 of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20303

Oil and Gas Lease dated July 20, 1946 between Frank Randleman and Eva Randleman, his wife, as Lessor, and Ben Case as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 13: NW 1/4

containing 160 acres, more or less, said lease being recorded in Book 125, Page 50, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23033 (1) Unitization Agreement dated September 10, 1951, filed in Book 167, Page 268.
- (2) Unitization Agreement dated August 6, 1970.
- 500033 (3) Joint Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H.F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20304

Oil and Gas Lease dated July 20, 1946, between Irvin Randleman, a single person, as Lessor, and Ben Case, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 13: W 1/2 SW 1/4
Section 14: NE 1/4 SE 1/4, SE 1/4 NE 1/4
Section 23: SE 1/4 NE 1/4

containing 200 acres, more or less, said lease being recorded in Book 125, Page 51, Records of said San Juan County.

The foregoing lease being subject to:

- 23033 (1) Unitization Agreement dated September 10, 1951, and as amended August 6, 1970, for Mesaverde formation only.
- (2) Unitization Agreement dated August 6, 1970, for all formations above the base of the Pictured Cliffs formation.
- 23033 (3) Operating Agreement dated June 1, 1963, by and between
500033 Aztec Oil & Gas Company, operator, and H. F. Pettigrew,
23331 non-operator.
- 23331 (4) Unitization Agreement dated May 1, 1970, for Section 13
W 1/2 SW 1/4 from surface to base of Pictured Cliffs
formation filed in Book 685, Page 38.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20305

Oil and Gas Lease dated January 9, 1947 between Frank Randleman and Eva Randleman, his wife as Lessor, and Ben Case as Lessee, insofar as this lease covers the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 13: NE 1/4 SW 1/4

containing 40 acres, more or less, said lease being recorded in Book 125, Page 214, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033 (1) Joint Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator and H.F. Pettigrew and John Worley, non-operators.
- 23033 (2) Unitization Agreement dated September 10, 1951, recorded in Book 167, Page 268 of said Records, for formations from and below base of Pictured Cliffs Formation, as amended by instrument dated August 6, 1970.
- 23331 (3) Unitization Agreement dated May 1, 1970 for formations from surface to base of Pictured Cliffs formation, filed Book 685, Page 38.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20306

Oil and Gas Lease dated September 20, 1946 between B. A. Smith and Ovadell Smith, his wife as Lessors, and Wayne Moore as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 13: SE 1/4 SW 1/4

containing 40 acres, more or less, said lease being recorded in Book 125, Page 77, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23033 (1) Unitization Agreement dated September 10, 1951, filed in Book 167, Page 278.
- (2) Unitization Agreement dated August 6, 1970.
- 500033 (3) Joint Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley non-operators.
- 23331 (4) Unitization Agreement dated May 1, 1970, from surface to base of Pictured Cliffs formation, filed Book 685, Page 38.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20307

Oil and Gas Lease dated September 1, 1949, by and between Saul A. Yager and wife, Marian Yager, as Lessors, and Wayne Moore, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NW 1/4

containing 80 acres, more or less, said lease being recorded in Book 135, Page 89, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20308-01

Oil and Gas Lease dated October 14, 1946, by and between Geo. F. Bruington, Guardian of the property of Edna Shuler, an Incompetent, as Lessor, and Ben Case as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: S 1/2 NW 1/4

containing 80 acres, more or less, said lease being recorded in Book 125, Page 225, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20308-02

Oil and Gas Lease dated October 14, 1946, by and between John E. Schuler, also known as John A. Shuler, as Lessor, and Ben Case, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: S 1/2 NW 1/4

containing 80 acres, more or less, said lease being recorded in Book 125, Page 226, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20309

Oil and Gas Lease dated May 22, 1951, by and between Zella Calloway et al, as Lessors, and Primo Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: S 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 158, Page 573, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-01

Oil and Gas Lease dated May 22, 1951, by and between Carl G. Calloway, also known as Carl Calloway, as Lessor, and Primo Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico;

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 158, Page 571, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169 Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-02

Oil and Gas Lease dated May 22, 1951 by and between W. T. Graham and wife, Florence L. Graham as Lessors, and Primo Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 163, Page 443, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-03

Oil and Gas Lease dated May 22, 1951 by and between Lawrence B. Dunlap and wife, Beuleh M. Dunlap, as Lessors, and Primo Oil Company, as Lessee, covering the following described land in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 163, Page 441, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H.F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-04

Oil and Gas Lease dated May 22, 1951, by and between George R. Kribbs and wife, Nina M. Kribbs, as Lessors, and Primo Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 163, Page 439, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-05

Oil and Gas Lease dated May 22, 1951, by and between J. D. Hancock et al, as Lessors, and Primo Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 169, Page 84, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-06

Oil and Gas Lease dated May 22, 1951, by and between Raymond W. Ellis and wife, Eleanor Gwin Ellis, as Lessors, and Primo Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 169, Page 90, Records of said San Juan County.

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-07

Oil and Gas Lease dated May 22, 1951, by and between Charles J. Nourse and wife, Margaret S. Nourse, as Lessors, and Primo Oil Company, as Lessee covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 167, Page 250, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator and H. F. Pettigrew and John Worley, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-08

Oil and Gas Lease dated May 22, 1951, by and between George Roberts and wife Grace M. Roberts as Lessors, and Primo Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 169, Page 92, Records of said San Juan County.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169 Page 92, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963 by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20310-10

Oil and Gas Lease dated May 22, 1951 between Harlan M. Ellis and wife, Zella Perkins Ellis, as Lessors, and Primo Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 22: N 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book 169, Page 95, Records of said San Juan County, New Mexico.

The foregoing lease being subject to:

- 23034 (1) Designation of Pooled Unit dated October 3, 1951, executed by Primo Oil Company, recorded in Book 169, Page 147, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20311

Oil and Gas Lease dated March 16, 1950 between William A. Dilg and Lillah Dilg, husband and wife as Lessors, and H. F. Pettigrew as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Beginning at the Southeast corner of the W 1/2 of the SW 1/4 of Section 24 in Township 31 North of Range 11 West, N.M.P.M.; thence North 2406 feet, thence West 575 feet, thence South 2406 feet, thence East to the place of beginning. Deed dated March 16, 1948, recorded in Book 128, Page 23, of the Records of said County.

containing 32 acres, more or less, said lease being recorded in Book 146, Page 391, Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- 23048 (1) Pooling Agreement dated December 15, 1952, recorded in Book 197, Page 44.

- 500033 (2) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators, covering rights down through Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20312

Oil and Gas Lease SR-078040-A, dated February 1, 1948, between the United States of America, as Lessor, and W. R. Childers, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 12: E 1/2 SW 1/4

Section 1: SW 1/4, W 1/2 SE 1/4, SE 1/4 SE 1/4

containing 360 acres, more or less.

The foregoing lease being subject to:

- 23035 (1) Designation of Pooled Unit dated November 29, 1951, filed Volume 170, Page 243.
- (2) Communitization Agreement dated October 9, 1951, for Mesaverde formation only, recorded Volume 175, Page 161.
- (3) Communitization Agreement dated May 30, 1978, for Pictured Cliffs formation.
- (4) Communitization Agreement dated March 28, 1978, for Pictured Cliffs formation.
- 500033 (5) Joint Operating Agreement dated June 1, 1963, Aztec Oil & Gas Company, Operator, and H. F. Pettigrew et al, Non-Operator.
- 23041 (6) Designation of Pooled Unit dated December 5, 1951, recorded Volume 172, Page 3.
- 23041 (7) Communitization Agreement dated November 29, 1951, for Mesaverde formation, recorded Book 172, Page 3, San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20313

Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended (Serial Santa Fe 079269) dated May 1, 1948 between United States of America as Lessor, and H. N. Henderson as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 12: NW 1/4

containing 160 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- 23041 (1) Designation of Pooled Unit dated December 5, 1951, filed Book 172, Page 3.
- (2) Communitization Agreement dated November 29, 1951 between Primo Oil Company, et al, and Southern Union Gas Company, amended May 28, 1978 providing that agreement shall not apply to any formation shallower than the Mesaverde formation.
- 500033 (3) Joint Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20314

Oil and Gas Lease dated October 13, 1947 between Fred L. Lawson and Grace Lawson, his wife as Lessor, and Wayne Moore as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 12: W 1/2 SW 1/4

containing 80 acres, more or less, said lease being recorded in Book 130, Page 32, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23041 (1) Designation of Pooled Unit dated December 5, 1951, filed Book 172, Page 3.
- (2) Communitization Agreement dated November 29, 1951 between Primo Oil Company et al and Southern Union Gas Company, Amended May 28, 1978 providing that agreement shall not apply to any formation shallower than the Mesaverde formation.
- 500033 (3) Joint Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator and H. F. Pettigrew and John Worley, Non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20315

Oil and Gas Lease dated July 11, 1951 between E. A. Flaherty and Gladys E. Flaherty, husband and wife as Lessors, and Primo Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 1: NE 1/4 SE 1/4

containing 40 acres, more or less, said lease being recorded in Book 165, Page 440, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23035 (1) Designation of Pooled Unit dated November 1, 1951, filed Book 170, Page 243.
- 23035 (2) Communitization Agreement dated October 9, 1951 between Primo Oil Company and Gladys Watford, Ralph A. Johnston, Phil E. Davant, R. E. Beamon, and Dan W. Johnston, and Southern Union Gas Company, filed Book 175, Page 161.
- 23035 (3) Communitization Agreement dated May 30, 1978 to apply only to Pictured Cliffs formation limited to natural gas and associated liquid hydrocarbons.
- 500033 (4) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, operator and H. F. Pettigrew and John Worley, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20316

Oil and Gas Lease dated December 8, 1948 between J. S. Lamb and Hilma Lamb, his wife as Lessor, and H. F. Pettigrew Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

The West 1/2 of the SW 1/4 of Section 24, SAVING AND EXCEPTING:

Tract 1: Beginning at the NE corner of said W 1/2 of the SW 1/4 and running West 600 feet; thence South 234 feet; thence East 600 feet; thence North 234 feet to the place of beginning.

ALSO SAVING AND EXCEPTING: Tract 2: Beginning at the SE corner of the W 1/2 of the SW 1/4 of Section 24 in Township 31 North, Range 11 West, N.M.P.M, THENCE North 2406 feet; thence West 575 feet; thence South 2406 feet; thence East to the place of beginning. Deed recorded in said County in Book 128, Page 24, containing 38 1/2 acres more or less; said lease being recorded in Book 135, Page 330.

The foregoing lease being subject to:

- 23048 (1) Pooling Agreement dated January 12, 1952 for entire described Tract, filed in Book 175, Page 95.
- 500033 (2) Joint Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley non-operators, rights down through Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20317

Oil and Gas Lease dated December 8, 1948, between Walton Hoyle and Sarah Jane Hoyle, as Lessors, and H. F. Pettigrew Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 90 acres out of NW 1/4 and S 1/2 NE 1/4, more particularly described in said lease.

the foregoing lease being recorded in Book 135, Page 331, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed in Book 175, Page 80.
- 500033 (2) Operating Agreement between Aztec Oil & Gas Company, Operator, and H. F. Pettigrew and John H. Worley, Non-Operators, dated June 1, 1963, rights down through Dakota formation.
- 23048 (3) Pooling Agreement dated December 15, 1952, recorded in Book 197, Page 44.
- 23332 (4) Unitization Agreement dated May 12, 1970, from surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20318

Oil and Gas Lease dated December 8, 1948, between James B. Saline and Opal Saline, husband and wife, as Lessors, and H. F. Pettigrew Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 34.30 acres out of SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ (32.82 acres in W $\frac{1}{2}$, 1.48 acres in E $\frac{1}{2}$), as more particularly described in said lease,

containing 34.30 acres, more or less, said lease being recorded in Book 135, Page 333, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed in Book 175, Page 80.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, operator, and John H. Worley and H. F. Pettigrew, non-operators, rights down through Dakota formation.
- 23048 (3) Pooling Agreement dated December 15, 1952, filed in Book 197, Page 44.
- 23333 (4) Unitization Agreement dated May 12, 1970, for surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20319

Oil and Gas Lease dated August 1, 1951, by and between Irvin L. Randlemon, and wife, Nellie Morrison Randlemon, as Lessors, and Primo Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 43.10 acres in W 1/2 NW 1/4, as more particularly described in said lease,

recorded in Book 165, Page 438, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 23048 (1) Designation of Pooled Unit dated December 15, 1952, executed by Aztec Oil and Gas Company, recorded in Book 197, Page 44, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil and Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20320

Oil and Gas Lease dated September 25, 1946, between Wiley Jensen and Viona Jensen, his wife, and Garnet D. Saline and Margia Saline, his wife, as Lessors, and Wayne Moore, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: Parts of N 1/2 NE 1/4, SE 1/4 NE 1/4, NE 1/4 SE 1/4,
as more particularly described in said lease,

containing 96.40 acres, more or less, said lease being recorded in Book 151, Page 541, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed in Book 175, Page 80.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, Operator, and John H. Worley and H. F. Pettigrew, Non-Operators, covering through the Dakota formation.
- 23332 (3) Unitization Agreement dated May 23, 1970, covering surface through Pictured Cliffs formation.
- 23333 (4) Unitization Agreement dated May 12, 1970, covering surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20321

Oil and Gas Lease dated February 23, 1949, between Eldo Canepile and Gladys B. Canepile, husband and wife, Roy G. Dalpra and Louise Delpra, husband and wife, as Lessors, and Stanolind Oil and Gas Company, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: NE part of N 1/2 NE 1/4, as more particularly described in said lease,

containing 20.37 acres, more or less, said lease being recorded in Book 135, Page 250, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed in Book 175, Page 80.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, Operator, and John H. Worley and H. F. Pettigrew, Non-Operators, covering rights down through Dakota formation.
- 23332 (3) Unitization Agreement dated May 12, 1970, from surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20322

Oil and Gas Lease dated September 4, 1950, between William S. (W.S.) Cole and Elma W. Cole, husband and wife, Charles B. Guffey and Tena Maude Guffey, husband and wife, as Lessors, and H. F. Pettigrew, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 1.25 acres in E. 1/2, as more particularly described in said lease,

containing 1.25 acres, more or less, said lease being recorded in Book 151, Page 417, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed in Book 175, Page 80.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, Operator, and H.F. Pettigrew & John H. Worley, Non-Operators, covering rights down through Dakota formation.
- 23332 (3) Unitization Agreement dated May 12, 1970, for surface through Pictured Cliffs formation.
- 23333 (4) Unitization Agreement dated May 12, 1970, for surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20323

Oil and Gas Lease dated December 8, 1948, between Charles S. Turner and Viola M. Turner, husband and wife and G. L. Turner and Delma Alice Turner, his wife, as Lessors, and H. F. Pettigrew Oil Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 78.40 acres in S 1/2 N 1/2 and N 1/2 S 1/2,
and being more particularly described in said
lease.

containing 78.40 acres, more or less, said lease being recorded in Book 135, Page 325, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed Book 175, Page 80, Records of San Juan County.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, Operator, and H. F. Pettigrew and John H. Worley, Non-Operators, for rights down through Dakota formation.
- 23048 (3) Pooling Agreement dated December 15, 1952, recorded in Book 197, Page 44, Records of San Juan County, New Mexico.
- 23332 (4) Unitization Agreement dated May 12, 1970, from surface through Pictured Cliffs formation.
- 23333 (5) Unitization Agreement dated May 12, 1970, from surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20324

Oil and Gas Lease dated September 18, 1946, by and between Andy P. Ruple and wife, May Ruple, and Thomas A. King and wife, Mildred King, as Lessors, and Wayne Moore, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: SW 1/4 (40.22 acres) and Part of SE 1/4 SW 1/4 (10.91 acres), as more particularly described in said lease,

containing 51.13 acres, more or less, said lease being recorded in Book 152, Page 38, Records of said San Juan County.

The foregoing lease being subject to:

- 500033 (1) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, Operator, and John A. Worley and H.F. Pettigrew, Non-Operators.
- 23048 (2) Designation of Pooled Unit dated December 15, 1952, executed by Aztec Oil & Gas Company, recorded in Book 197, Page 44, Records of said San Juan County.
- 23333 (3) Unitization Agreement dated May 12, 1970, executed by Archie Blackmore et al, and Aztec Oil & Gas Company et al.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20325

Oil and Gas Lease dated August 27, 1949, between Myron G. Noland and Lorita Noland, husband and wife, as Lessors, and C. H. Nye, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 20.87 acres in E $\frac{1}{2}$ as more particularly described in said lease,

containing 20.87 acres, more or less, said lease being recorded in Book 139, Page 215, Records of said San Juan County.

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed in Book 175, Page 80, Records of San Juan County.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, Operator, and H. F. Pettigrew and John H. Worley, Non-Operators, rights down through Dakota formation.
- 23332 (3) Unitization Agreement dated May 12, 1970, surface through Pictured Cliffs formation.
- 23333 (4) Unitization Agreement dated May 12, 1970, surface through Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20326

Oil and Gas Lease dated April 16, 1952, between Wiley Jensen and Viona Jensen, husband and wife, Garnet Saline, and Margia Saline, husband and wife, as Lessors, and Southern Union Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: 36.70 acres out of NE 1/4 NW 1/4 as more particularly described in said lease,

containing 36.70 acres, more or less, said lease being recorded in Book 180, Page 50, Records of said San Juan County.

The foregoing lease being subject to:

- 23048 (1) Pooling Agreement dated December 15, 1952, recorded in Book 197, Page 44, Records of San Juan County.
- 500033 (2) Operating Agreement dated June 1, 1963, between Aztec Oil & Gas Company, Operator, and H. F. Pettigrew and John Worley, Non-Operators, for rights down through Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20327

Oil and Gas Lease dated April 1, 1951 between United States of America (S.F. 07089) as Lessor, and Nathan Hale Keller as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 8 West, N.M.P.M.

Section 27: All

Section 34: All

containing 1280 acres, more or less, said lease being recorded in Book 236, Page 93, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1951 between J. E. McClanahan et al and Southern Union Gas Company.
- (2) Operating Agreement dated September 15, 1952, between J. E. McClanahan et al, and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20328

Oil and Gas Lease (R.R. Co. No. 13649) dated April 9, 1952 between The Denver and Rio Grande Western Railroad Company as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.

Section 18: ROW, 100 feet in width, in E 1/2 and SW 1/4

Section 19: ROW, 100 feet in width, in W 1/2 and NW 1/4,

all as more particularly described in said lease, containing 20.48 acres, more or less, said lease being recorded in Book 192, Page 109, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23043 (1) Pooling Agreement dated April 2, 1952 between Beaver Lodge Corporation, Southern Union Gas Company, Stanolind Oil and Gas Company, relating to Mesaverde formation and recorded in Book 242, Page 152, of said Records.
- (2) Operating Agreement dated April 2, 1952 between Southern Union Gas Company, Beaver Lodge Corporation and Stanolind Oil and Gas Company relating to Mesaverde formation, recorded in Book 190, Page 68 of said Records.
- (3) Operating Agreement dated August 1, 1977 between Amoco Production Company, Crown Central Petroleum Corporation et al, relating to Mesaverde formation.
- 23052 (4) Communitization Agreement dated November 11, 1952 between Aztec Oil & Gas Company, El Paso Natural Gas Company, et al, relating to Mesaverde formation, recorded in Book 230, Page 182 of said Records.
- (5) Operating Agreement dated November 11, 1952 between Aztec Oil & Gas Company, and Southern Union Gas Company et al, relating to Mesaverde formation unitized under Communitization Agreement No. 23052 referenced above.
- 23057 (6) Communitization Agreement dated February 18, 1954 between Stanolind Oil and Gas Company, Southern Union Gas Company, and Aztec Oil & Gas Company, et al, relating to Mesaverde formation.

- (7) Operating Agreement dated September 15, 1976 between Amoco Production Company, Southern Union Gas Company, and Aztec Oil & Gas Company relating to Mesaverde formation unitized under Communitization Agreement No. 23057 referenced above.
- 23321 (8) Communitization Agreement dated July 24, 1969 between Aztec Oil & Gas Company and Pan American Petroleum Corporation relating to Pictured Cliffs formation, recorded in Book 678, Page 2 of said Records.
- (9) Operating Agreement dated July 23, 1969 between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation, non-operator, relating to Pictured Cliffs formation, recorded in Book 678, Page 2 of said Records.
- 23353 (10) Declaration of Unitization dated April 17, 1972 by Amoco Production Company, Southern Union Production Company, and Aztec Oil & Gas Company, relating to Pictured Cliffs formation, recorded in Book 705, Page 24, of said Records.
- (11) Operating Agreement dated April 17, 1972 between Amoco Production Company, Southern Union Production Company and Aztec Oil & Gas Company, relating to Pictured Cliffs formation unitized under Declaration of Unitization No. 23353 referenced above.
- 20240-01 (12) Communitization Agreement dated September 15, 1978 between Southland Royalty Company and Amoco Production Company relating to Pictured Cliffs formation, recorded in Book 866, Page 214 of said Records.
- (13) Operating Agreement dated August 1, 1978 between Southland Royalty Company and Amoco Production Company, relating to Pictured Cliffs formation, unitized under Communitization Agreement No. 20240 referenced above.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20329

Oil and Gas Lease dated September 25, 1950 between the Denver and Rio Grande Western Railroad Company (13300) as Lessor, and H. F. Pettigrew as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: ROW in SE 1/4

Section 25: ROW in N 1/2

Township 31 North, Range 10 West, N.M.P.M.

Section 19: ROW in NW 1/4 SW 1/4,
more particularly described as:

all of the right of way owned by the Denver and Rio Grande Western Railroad Company for the main track of its Farmington Branch, near Inca, in the County of San Juan and State of New Mexico, beginning at the North line of the SW 1/4 of Section 19, Township 31 North, Range 10 West, N.M.P.M., and extending thence southwesterly a distance of about 1.36 miles to the South line of the NW 1/4 of Section 25, Township 31 North, Range 11 West, said Railroad Company's right of way being 100 feet in width or 50 feet wide on each side of the center line of said main tract as now constructed and operated over and across the NW 1/4 of the SW 1/4 of Section 19, Township 31 North, Range 10 West; the East Half and the SW 1/4 of the SE 1/4 of Section 24; the NW 1/4 of the NE 1/4, the NE 1/4 of the NW 1/4, and the S 1/2 of the NW 1/4 of Section 25, Township 31 North, Range 11 West;

containing 16.46 acres, more or less, said lease being recorded in Book 153, Page 240, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23046 (1) Pooling Agreement dated January 10, 1952, filed Book 175, Page 80.
- 500033 (2) Operating Agreement dated June 1, 1963 between Aztec Oil and Gas Company, operator and H.F. Pettigrew and John H. Worley, non-operators, as to rights down through the Dakota formation.
- 23052 (3) Communitization Agreement dated November 11, 1952 between Aztec Oil & Gas Company and Southern Union Gas Company et al, for Mesaverde formation, recorded Book 230, Page 182.

- (4) Operating Agreement dated November 11, 1952 between Aztec Oil & Gas Company et al, for Mesaverde formation.
- 23066 (5) Communitization Agreement dated November 24, 1952 for Mesaverde formation, filed Book 208, Page 29.
- (6) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator and Charles Birks Jahn, non-operator for Mesaverde formation.
- 23320 (7) Communitization Agreement dated July 9, 1969 for Pictured Cliffs Formation, recorded Book 673, Page 260.
- 23322 (8) Communitization Agreement dated October 10, 1969 for Pictured Cliffs formation, recorded in Book 679, Page 59.
- (9) Operating Agreement dated October 10, 1969 by and between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, et al, for Pictured Cliffs formation.
- 23333 (10) Unitization Agreement dated May 12, 1970 from the surface through Pictured Cliffs formation.
- (11) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator and H.F. Pettigrew and John Worley, non-operators, as to rights down through Dakota formation.
- 23342 (12) Unitization Agreement dated September 22, 1970, recorded in Book 685, Page 275, for Pictured Cliffs formation.
- (13) Operating Agreement dated September 22, 1970 Aztec Oil & Gas Company, operator, amended July 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20330

Oil and Gas Lease dated May 4, 1950, by and between George F. Bruington and wife, Grace Bruington, as Lessors, and H. F. Pettigrew, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 24: SE 1/4 SE 1/4, Part of SE 1/4 NE 1/4, Part of
NE 1/4 SE 1/4, as described in said lease,

containing 66.95 acres, more or less, said lease being recorded in Book 146, Page 320, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033 (1) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.
- 23332 (2) Unitization Agreement dated May 12, 1970, executed by Meredith Branham et al.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20331

Oil and Gas Lease dated December 8, 1948, by and between Nellie R. Morrison, as Lessor, and H. F. Pettigrew Oil Company, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: Part of SE $\frac{1}{4}$ SW $\frac{1}{4}$, as described in said lease

containing 26.89 acres, more or less, said lease being recorded in Book 135, Page 332, Records of said San Juan County, New Mexico;

The foregoing lease being subject to:

- 23048 (1) Designation of Pooled Unit dated December 15, 1952, executed by Aztec Oil & Gas Company, recorded in Book 197, Page 44, Records of said San Juan County.
- 500033 (2) Joint Operating Agreement dated June 1, 1963, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20332

Oil and Gas Lease under the Act of February 25, 1920, as amended (Serial NM 09979) dated February 1, 1948 between United States of America as Lessor, and Carlos Robinson as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 13 West, N.M.P.M.

Section 15: S 1/2

Section 22: All

containing 960 acres, more or less, said lease being recorded in Book :
 , Page ; Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated July 10, 1953 between J. E. McClanahan et al. and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20336

Oil and Gas Lease dated July 7, 1949, by and between Wes Oliver et al, as Lessor, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 24: S 1/2 SE 1/4
Section 25: N 1/2 NE 1/4

containing 160 acres, more or less, said lease being recorded in Book 136, Page 117, Records of said San Juan County.

The foregoing lease being subject to:

- 23047 (1) Communitization Agreement dated July 28, 1952, by and between Aztec Oil & Gas Company and Vivian East and wife, Chloe East.
- (2) Designation of Pooled Unit dated August 21, 1952, executed by Aztec Oil & Gas Company, recorded in Book 188, Page 136, Records of said San Juan County.
- 23173 (3) Communitization Agreement dated June 22, 1960, executed by Aztec Oil & Gas Company and R. B. Lea and wife, Margeret Lea, recorded in Book 460, Page 40, Records of San Juan County.
- 23314 (4) Communitization Agreement dated March 25, 1969, executed by Aztec Oil & Gas Company, recorded in Book 673, Page 117, Records of said San Juan County.
- 23315 (5) Communitization Agreement dated March 25, 1969, executed by Aztec Oil & Gas Company, recorded in Book 673, Page 116, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20337

Oil and Gas Lease dated August 31, 1949 between J. Elmer Decker and Alvetta Decker, husband and wife, as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 3: Lots 1, 2, 3, 4

containing 162.96 acres, more or less, said lease being recorded in Book 139, Page 201, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23021
- (1) Communitization Agreement dated June 1, 1951 between Southern Union Gas Company and Quilman B. Davis and his wife Margaret A. Davis.
 - (2) Designation of Pooled Unit dated May 29, 1951, filed Book 158, page 150.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20338

Oil and Gas Lease dated December 28, 1951 between Wiley Jenson and Viona Jenson, his wife, and Garnet Saline and Margie Saline, his wife, as Lessors, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 19: NE 1/4 NW 1/4, Lot 2 (SW 1/4 NW 1/4), and
7 acres in S 1/2 S 1/2 NW 1/4 (less railroad r/w)

as more particularly described in said lease, containing 82.04 acres, more or less, said lease being recorded in Book 172, Page 334, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23052 (1) Communitization Agreement (Mesaverde Formation) dated November 11, 1952, between Aztec Oil & Gas Company, operator, and Southern Union Gas Company, et al, recorded in Book 230, Page 182 of said Records.
- 23321 (2) Communitization Agreement (Pictured Cliffs Formation) dated July 24, 1969 between Aztec Oil & Gas Company, operators, and Pan American Petroleum Corporation, et al, recorded in Book 678, Page 2 of said Records.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20340

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial New Mexico 02151) dated March 1, 1952 between United States of America as Lessor, and Mitchell A. Whitley as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
Section 28: E 1/2

containing 320 acres, more or less, said lease being recorded in Book 90 , Page 642, Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23422 (1) Unit Operating Agreement dated January 16, 1953 for San Juan Unit 30-6.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20340-01

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial New Mexico 02151a) dated March 1, 1952 between United States of America as Lessor, and Mitchell A. Whitley as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
Section 28: NW 1/4, N 1/2 SW 1/4, SE 1/4 SW 1/4

containing 280 acres, more or less, said lease being recorded in Book 90 , Page 642, Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23422 (1) Unit Operating Agreement dated January 16, 1953 for San Juan Unit 30-6.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20340-02

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial New Mexico 02151B) dated March 1, 1952 between United States of America as Lessor, and Mitchell A. Whitley, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
Section 33: All

containing 640 acres, more or less, said lease being recorded in Book 90 , Page 642, Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23422 (1) Unit Operating Agreement dated January 16, 1953 for San Juan Unit 30-6.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20341

Oil and Gas Lease (Serial S.F. 079065) dated October 1, 1949 between United States of America as Lessor, and L. N. Haygood as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 19: Lots 1, 2, 3, 4, E 1/2 W 1/2, W 1/2 E 1/2
E 1/2 SE 1/4.

Section 20: N 1/2 SW 1/4, NW 1/4 SE 1/4, S 1/2 SE 1/4,
S 1/2 SW 1/4.

Section 29: All

Section 30: Lots 1, 2, NE 1/4 NW 1/4, NW 1/4 NE 1/4,
NE 1/4 SE 1/4.

Less all rights to the Gallup formation assigned to Paramount Petroleum Corporation August 1, 1980.

containing 1475.90 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC #20342

Oil and Gas Mining Lease - Tribal Indian Lands dated May 5, 1952 between Jicarilla Apache Tribe of Indians (Contract #100) as Lessor, and Southern Union Gas Company as Lessee, insofar as said lease covers an undivided 1/2 interest in the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 3 West, N.M.P.M.

Section 29: All

Section 30: All

Section 31: All

Section 32: All

containing 2514.6 acres, more or less, said lease being recorded in Book ,
Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- (1) Joint Operating Agreement dated January 1, 1969 between Southern Union Production Company and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20343

Oil and Gas Mining Lease - Tribal Indian Lands dated March 7, 1952 between Jicarilla Apache Tribe of Indians (Contract #101) as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 4 West, N.M.P.M.

Section 12: All

Section 1: Lots 1, 2, 3, 4, S 1/2 N 1/2, S 1/2

Section 2: Lots 1, 2, 3, 4, S 1/2 N 1/2, S 1/2

Section 11: E 1/2

Section 11: W 1/2

containing 2561.86 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba County, New Mexico;

- (1) Operating Agreement dated July 1, 1979 for Pictured Cliffs /Mesaverde formations.
- (2) Joint Operating Agreement dated January 1, 1969 between Southern Union Production Company and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC #20344

Oil and Gas Mining Lease - Tribal Indian Lands dated March 7, 1952 between Jicarilla Apache Tribe of Indians (Contract #103) as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 4 West, N.M.P.M.

Section 17: All

Section 18: Lots 1, 2, 3, 4, E 1/2 and E 1/2 W 1/2 (All)

Section 19: Lots 1, 2, 3, 4, E 1/2 and E 1/2 W 1/2 (All)

Section 20: All

containing 2571.58 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- (1) Contract and Operating Agreement dated November 30, 1953 between Southern Union Gas Company and Aztec Oil & Gas Company.
- (2) Joint Operating Agreement dated January 1, 1969 between Southern Union Production Company and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20345

Oil and Gas Mining Lease - Tribal Indian Lands dated March 7, 1952 between Jicarilla Apache Tribe of Indians (Contract No. 105) as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 4 West, N.M.P.M.

Section 13: All

Section 14: All

Section 23: All

Section 24: All

containing 2560 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- (1) Contract and Operating Agreement dated November 30, 1953 between Southern Union Gas Company and Aztec Oil & Gas Company.
- (2) Joint Operating Agreement dated January 1, 1969 between Southern Union Production Company and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20346

Oil and Gas Mining Lease - Tribal Indian Lands dated March 7, 1952, between Jicarilla Apache Tribe of Indians (Contract No. 106), as Lessor, and Southern Union Gas Company, as Lessee, insofar as said lease covers an undivided 1/2 interest in the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 4 West, N.M.P.M.

Section 25: All

Section 26: All

Section 35: All

Section 36: All

containing 2240 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20360

Oil and Gas Mining Lease - Tribal Indian Lands dated January 8, 1954 between Jicarilla Apache Tribe of Indians (Contract #145) as Lessor, and Southern Union Gas Company as Lessee, insofar as said Lease covers an undivided $\frac{1}{2}$ interest in the following described land situated in Rio Arriba County, New Mexico:

Township 25 North, Range 5 West, N.M.P.M.

Section 1: All (Fractional)

Section 2: All (Fractional)

Section 11: All

Section 12: All

containing 2558.40 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- (1) Contract and Operating Agreement dated November 30, 1953 between Southern Union Gas Company and Aztec Oil & Gas Company.
- (2) Joint Operating Agreement dated January 1, 1969 between Southern Union Production Company and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20361

Oil and Gas Lease - Tribal Indian Lands dated December 4, 1953 (Tribal Contract No. 150) between Jicarilla Apache Tribe of Indians as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 5 West, N.M.P.M.

Section 1: All

Section 2: All

Section 11: All

Section 12: All

containing 2559.48 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- (1) Contract and Operating Agreement dated March 18, 1954 between Southern Union Gas Company and Aztec Oil & Gas Company, recorded in Book 21, Page 536 of said records.
- (2) Joint Operating Agreement dated January 1, 1969 between Southern Union Production Company and Aztec Oil & Gas Company.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20362

Oil and Gas Lease - Tribal Indian Lands dated December 4 1953, approved January 8, 1954 between Jicarilla Apache Tribe of Indians(Contract #153) as Lessor, and Southern Union Gas Company as Lessee, insofar as said lease covers an undivided 1/2 interest in the following described lands situated in Rio Arriba County, New Mexico:

Township 26 North, Range 5 West, N.M.P.M.

Section 25: All

Section 26: All

Section 35: All

Section 36: All

containing 2560 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba County, New Mexico;

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20363

Oil and Gas Lease dated March 10, 1954, between Leonard L. Johnston et ux, as Lessor, and Southern Union Gas Company, as Lessee, covering the following described lands situated in Rio Arriba County, New Mexico;

Township 25 North, Range 3 West N.M.P.M.
Section 7: E 1/2

containing 320 acres, more or less, recorded Book 21, Page 611, Records of said Rio Arriba County, insofar as lease covers rights below the base of the Pictured Cliffs Formation.

Subject to the following:

- (1) Operating Agreement dated November 1, 1979 between Southland Royalty Company, operator, and Supron Energy Corporation, non-operator, for all formations below the base of Pictured Cliffs Formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20372

Oil and Gas Lease dated May 1, 1948 between United States of America as Lessor, and Robert L. Cooper as Lessee, SF-079634 insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 10 West, N.M.P.M.

Section 13: All

Section 14: NE 1/4 NE 1/4, S 1/2 NE 1/4, S 1/2

Section 23: N 1/2

Section 24: All

containing 2040 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between J. E. McClanahan et al, and Southern Union Gas Company.
- 23087 (2) Communitization Agreement dated March 17, 1955 for Pictured Cliffs Formation, filed Book 278, Page 102.
- 23170 (3) Communitization Agreement dated June 13, 1960 for the Dakota Formation, filed Book 460, Page 179.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20373

Lease of Oil and Gas Lands (Serial Santa Fe 076958), dated September 1, 1948, by and between the United States of America, as Lessor, and William L. Hare, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 10 West, N.M.P.M.

Section 3: Lots 1, 2, 3, 4, S 1/2 N 1/2, S 1/2

Section 10: All

Section 14: W 1/2 SE 1/4, E 1/2 SW 1/4

Section 15: N 1/2, W 1/2 SE 1/4

Section 22: E 1/2 NE 1/4

Section 23: N 1/2

Section 25: SE 1/4 NE 1/4, E 1/2 SE 1/4, SW 1/4 SE 1/4

containing 2,403.04 acres, more or less, said lease being recorded in Book 345, Page 36, Records of said San Juan County.

The foregoing lease being subject to:

(1) Operating Agreement dated January 1, 1979, by and between Southland Royalty Company, operator, and El Paso Natural Gas Company et al, non-operators.

(2) Communitization Agreement dated January 1, 1979, executed by Southland Royalty Company et al, recorded in Book 866, Page 163, Records of said San Juan County.

(3) Communitization Agreement dated January 1, 1979, executed by Southland Royalty Company et al, recorded in Book 877, Page 108, Records of said San Juan County.

(4) Communitization Agreement dated January 1, 1979, executed by Southland Royalty Company et al, recorded in Book 877, Page 116, Records of said San Juan County.

23110 (5) Communitization Agreement dated April 18, 1956, executed by Aztec Oil & Gas Company et al, recorded in Book 310, Page 42, Records of said San Juan County.

(6) Operating Agreement dated April 18, 1956, by and between Aztec Oil & Gas Company, operator, and Stanolind Oil and Gas Company, non-operator.

- 23114 (7) Communitization Agreement dated April 6, 1956, executed by Southern Union Gas Company et al, recorded in Book 309, Page 122, Records of said San Juan County.
- (8) Operating Agreement dated April 6, 1956, by and between Southern Union Gas Company, operator, and Aztec Oil & Gas Company, non-operator.
- 23121 (9) Communitization Agreement dated November 27, 1956, executed by Stanolind Oil and Gas Company and Aztec Oil & Gas Company, recorded in Book 321, Page 67, Records of said San Juan County.
- (10) Operating Agreement dated November 27, 1956, by and between Stanolind Oil and Gas Company, operator, and Aztec Oil & Gas Company, non-operator.
- 23133 (11) Communitization Agreement dated July 24, 1957, executed by Aztec Oil & Gas Company and Pan American Petroleum Corporation, recorded in Book 345, Page 92, Records of said San Juan County.
- (12) Operating Agreement dated July 24, 1957, by and between Aztec Oil & Gas Company, operator, and Pan American Petroleum Corporation, non-operator.
- 23239 (13) Communitization Agreement dated May 25, 1962, executed by Aztec Oil & Gas Company et al.
- (14) Operating Agreement dated May 25, 1962, by and between J. Glenn Turner, operator, and Aztec Oil & Gas Company et al, non-operators, as amended.
- 23265 (15) Communitization Agreement dated November 3, 1964, executed by Southern Union Production Company et al.
- (16) Operating Agreement dated November 3, 1964, by and between Southern Union Production Company, operator, and Aztec Oil & Gas Company, non-operator, as amended by instrument dated February 1, 1980, executed by Supron Energy Corporation and Southland Royalty Company.
- 23269 (17) Communitization Agreement dated January 25, 1965, executed by Pan American Petroleum Corporation et al.
- (18) Operating Agreement dated January 25, 1965, by and between Pan American Petroleum Corporation, operator, and Aztec Oil & Gas Company, non-operator, as amended.
- 23285 (19) Communitization Agreement dated July 29, 1966, executed by Southern Union Production Company et al, recorded in Book 642, Page 12, Records of said San Juan County.

(20) Operating Agreement dated August 5, 1966, by and between Southern Union Production Company, operator, and Pan American Petroleum Corporation and Aztec Oil & Gas Company, non-operators.

19527

(21) Operating Agreement dated January 1, 1979, Southland Royalty Company, operator.

(22) Communitization Agreement dated January 1, 1979 for Mesaverde formation, recorded in Book 877, Page 108 of the Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20374

Oil and Gas Lease dated April 25, 1949 between L. L. Hampton, a single man as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.
Section 13: W 1/2 NW 1/4; SE 1/4 NW 1/4; N 1/2 SW 1/4
Section 14: E 1/2 NE 1/4

containing 280 acres, more or less, said lease being recorded in Book 135 Page 339, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23092 (1) Communitization Agreement dated July 12, 1955 for Pictured Cliffs formation, filed Book 296, Page 15.
- (2) Operating Agreement dated July 12, 1955 between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, non-operator, Pictured Cliffs formation.
- 23166 (3) Communitization Agreement dated May 4, 1960, Dakota formation, filed Book 454, Page 194.
- (4) Communitization Agreement dated April 1, 1979 for only Mesaverde formation, filed Book 877, Page 177.
- (5) Operating Agreement dated May 4, 1960 Between Aztec Oil & Gas Company, operator, and International Oil Corporation, non-operator, for Dakota formation.
- (6) Operating Agreement dated February 1, 1979, Southland Royalty Company, operator for Mesaverde formation.
- 23093 (7) Communitization Agreement dated July 12, 1955 for Pictured Cliffs formation, filed Book 296, Page 16.
- (8) Operating Agreement dated July 12, 1955 between Aztec Oil & Gas Company, operator and El Paso Natural Gas Company, non-operator, for Pictured Cliffs formation.
- 23135 (9) Communitization Agreement dated March 21, 1958 for Pictured Cliffs formation, filed Book 378, Page 11.

- (10) Operating Agreement dated March 21, 1958 between Aztec Oil & Gas Company, operator and John H. Trigg, non-operator for Pictured Cliffs formation.
- 23303 (11) Communitization Agreement dated April 11, 1968 for Dakota formation, filed Book 667, Page 8.
- (12) Operating Agreement dated April 11, 1968 for Dakota formation, Aztec Oil & Gas Company, operator, amended January 1, 1976 and January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20375

Oil and Gas Lease dated July 1, 1948 between United States of America as Lessor, and C. H. Nye as Lessee, SF 080359, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 23: NE 1/4 NE 1/4

containing 40 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between Joe D. Reid and Marjorie Gray Reid, his wife, and Southern Union Gas Company.
- 23067 (2) Communitization Agreement dated October 24, 1952 between El Paso Natural Gas Company, et al, for Mesaverde formation.
- (3) Operating Agreement dated October 16, 1978 between El Paso Natural Gas Company, operator and Crown Central Petroleum Company, et al, non-operator for Mesaverde formation.
- 23354 (4) Communitization Agreement dated July 13, 1972 Pictured Cliffs formation, recorded Book 705, Page 113.
- (5) Operating Agreement dated July 13, 1972 for Pictured Cliffs formation, recorded Book 705, Page 63.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20376

Oil and Gas Lease dated February 1, 1948 between United States of America as Lessor, and C. N. Nye as Lessee, SF-078197, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 10 West, N.M.P.M.

Section 4: N 1/2

Section 5: S 1/2

Section 6: Lots 6, 7, NE 1/4 SW 1/4, SE 1/4

Township 29 North, Range 11 West N.M.P.M.

Section 14: SE 1/4 NE 1/4

Section 25: SW 1/4 SW 1/4

containing 996.10 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between D. R. Zachry et al and Southern Union Gas Company.
- 23149 (2) Communitization Agreement dated September 22, 1960 for Dakota formation, recorded Volume 482, Page 114.
- (3) Joint Operating Agreement dated September 22, 1960 between Tennessee Gas Transmission Company, operator, and Pan American Petroleum Corporation, et al, non-operators.
- 500400 (4) Operating Agreement dated February 1, 1980 Tenneco Oil Company, operator, Southland Royalty Company et al, non-operator, Chacra, Mesaverde and Dakota formations.
- (5) Communitization Agreement dated July 1, 1980 for the Chacra/Mesaverde formations.
- 23244 (6) Communitization Agreement dated May 27, 1966 for Dakota formation, filed Book 651, Page 158.
- (7) Operating Agreement dated May 27, 1966 between Aztec Oil & Gas Company, operator and Dixie Marie McLane, et al, non-operator for Dakota formation.
- 23260 (8) Communitization Agreement dated April 21, 1965 for Dakota formation, filed Book 606, Page 83.

(9) Operating Agreement dated April 21, 1965 between Pan American Petroleum Corporation, operator, and El Paso Natural Gas Company, et al, non-operators, for Dakota formation and as amended January 1, 1976, and as amended January 1, 1980.

23309

(10) Communitization Agreement dated November 1, 1968 for Pictured Cliffs formation, filed Book 673, Page 115.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20377

Oil and Gas Lease dated May 10, 1949 between State of New Mexico as Lessor, and Southern Union Production Company as Lessee, State Lease No. E-2660, covering the following described land situated in San Juan County, New Mexico:

Township 19 North, Range 9 West, N.M.P.M.
Section 36: SE 1/4 NW 1/4, SW 1/4 NE 1/4, NW 1/4 SE 1/4

containing 120 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23089 (1) Pooling Agreement, Aztec-Koch State No. 1, Mesaverde and Pictured Cliffs Formations, dated October 23, 1956 between Aztec Oil & Gas Company, Southern Union Gas Company, et at, recorded in Book 300, Page 54, of said records.
- 23080 (2) Communitization Agreement (Mesaverde Formation) dated May 1, 1953 between El Paso Natural Gas Company and Southern Union Gas Company, et al.
- 23279 (3) Communitization Agreement (Pictured Cliffs Formation) dated October 18, 1965 between El Paso Natural Gas Company, Aztec Oil & Gas Company, et al recorded in Book 616, Page 68, of said records.
- 23089 (4) Operating Agreement dated May 1, 1953 between El Paso Natural Gas Company (operator) and Southern Union Gas Company et al (non-operator).
- (5) Operating Agreement dated August 7, 1979 between El Paso Natural Gas Company (operator) and Southland Royalty Company et al (non-operator) only Mesaverde Formation.

- 23080 (6) Operating Agreement dated January 26, 1956 between Aztec Oil & Gas Company, (operator) and Fred C. Koch, et al (non-operator) for Mesaverde Formation.
- 23089 (7) Pooling Agreement dated October 23, 1956 filed Book 317, Page 54 for Mesaverde and Pictured Cliffs Formation.
- 23089 (8) Operating Agreement dated October 26, 1956 between Aztec Oil & Gas Company, operator, and Southern Union Gas Company et al, non-operator including Mesaverde Formation.
- 23279 (9) Operating Agreement dated October 18, 1965 for Pictured Cliffs Formation, El Paso Natural Gas Company, operator. Amended June 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20378

Oil and Gas Lease dated July 25, 1949 between Ray B. Current and Sadie E. Current, husband and wife, Roy L. Current, and Mark L. Current as Lessors, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.

Section 11: NW 1/4

containing 160 acres, more or less, said lease being recorded in Book 136, Page 133, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23105
- (1) Communitization Agreement dated May 9, 1956 for Mesaverde Formation, filed Book 306, Page 44.
 - (2) Operating Agreement dated May 9, 1956 between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company, non-operator.
 - (3) Communitization Agreement dated July 1, 1977 for the Dakota Formation.
 - (4) Operating Agreement dated July 8, 1977 for the Dakota Formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20379

Oil and Gas Lease (No. B-11625-20) dated November 20, 1944 between State of New Mexico as Lessor, and W. S. Patterson as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 2: Lot 3 (NE 1/4 NW 1/4)

containing 40.19 acres, more or less.

The foregoing lease being subject to:

- 23077
- (1) Communitization Agreement dated October 16, 1953 for Mesaverde formation, filed Book 232, Page 171.
 - (2) Designation of Pooled Unit dated October 16, 1953, filed Book 228, Page 16.
 - (3) Operating Agreement dated June 15, 1977 between Aztec Oil & Gas Company, operator, and Tenneco, et al, for Mesaverde and Dakota formations, recorded Book 797, Page 182.
 - (4) Operating Agreement dated April 10, 1978 between Southland Royalty Company, operator, and Tenneco et al, as non-operators for Pictured Cliffs formation.
 - (5) Communitization Agreement dated June 6, 1977 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20380

Oil and Gas Lease dated September 19, 1949, by and between Cecil C. Dial and wife, Elsie Dial, as Lessors, and Southern Union Production Company, as Lessee, insofar as said lease covers the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 35: SE 1/4

containing 160 acres, more or less, said lease being recorded in Book 139, Page 248, Records of said San Juan County.

The foregoing lease being subject to:

- 23069 (1) Designation of Pooled Unit dated April 17, 1953, executed
23306 by Southern Union Gas Company, recorded in Book 208, Page 131, Records of said San Juan County, as amended by instrument dated April 25, 1979, recorded in Book 866, Page 364, and re-recorded in Book 877, Page 109, of said Records.
- 23069 (2) Communitization Agreement dated April 25, 1952, executed by
23306 Southern Union Gas Company et al, recorded in Book 214, Page 116, Records of said San Juan County, as amended by instrument dated April 1, 1979, recorded in Book 866, Page 285, of said Records.
- (3) Operating Agreement dated May 26, 1952, by and between Southern Union Gas Company, Operator, and El Paso Natural Gas Company, Non-Operator, recorded in Book 210, Page 14, Records of said San Juan County, as amended.
- 23306 (4) Communitization Agreement dated October 8, 1968, executed by Aztec Oil & Gas Company et al, recorded in Book 673, Page 4, Records of said San Juan County.
- (5) Operating Agreement dated October 8, 1968, by and between Aztec Oil & Gas Company et al.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20381

Oil and Gas Lease dated September 19, 1949 between F. T. Hillstrom and Vinta Hillstrom, husband and wife, and M.M. Fisher and Clementine Fisher, husband and wife, as Lessors, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 35: E 1/2 SW 1/4 and SE 1/4 NW 1/4

containing 120 acres, more or less, said lease being recorded in Book 139, Page 246, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23281 (1) Designation of Pooled Unit dated April 11, 1952, filed Book 226, Page 65. Amended February 1, 1979 to eliminate the Pictured Cliffs formation to combine the Mesaverde and Dakota formations into unit, and to unitize the Pictured Cliffs formation, said Amendment filed in Book 877, Page 94.
- (2) Communitization Agreement dated April 11, 1952 between Southern Union Gas Company et al. down to and including the Mesaverde formation, filed Book 214, Page 117. Amended February 1, 1979 to exclude the Pictured Cliffs formation and any formation shallower than the Mesaverde formation, filed Book 866, Page 286.
- (3) Operating Agreement dated May 26, 1952 between Southern Union Gas Company, operator and El Paso Natural Gas Company, filed Book 210, Page 83 for formations down to and including the Mesaverde formation and amended February 1, 1979 to apply only to the Mesaverde formation.
- 23070 (4) Operating Agreement dated February 1, 1979 between Southland Royalty Company as operator and El Paso Natural Gas Company as non-operator, for Pictured Cliffs formation.
- 23070 (5) Communitization Agreement dated February 1, 1979 for Pictured Cliffs formation, Filed Book 866, Page 362.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20382

Oil and Gas Lease dated September 19, 1949 between Cecil C. Dial, et ux, as Lessor and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 35: SW 1/4 NW 1/4

containing 40 acres, more or less, said lease being recorded in Book 139, Page 247, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23070
- (1) Designation of Pooled Unit dated April 11, 1952 filed Book 226, Page 65, amended February 1, 1979 to eliminate the Pictured Cliffs formation to combine the Mesaverde and Dakota formations into unit and to unitize the Pictured Cliffs formation, said Amendment filed Book 877, Page 94.
 - (2) Communitization Agreement dated April 11, 1952 between Southern Union Gas Company et al, down to and including the Mesaverde formation, filed Book 214, Page 117. Amended February 1, 1979 to exclude the Pictured Cliffs formation and any formation shallower than the Mesaverde formation, filed Book 866, Page 286.
 - (3) Operating Agreement dated May 26, 1952 between Southern Union Gas Company, operator, and El Paso Natural Gas Company, filed Book 210, page 83 for formations down to and including the Mesaverde formation. Amended February 1, 1979 to apply to Mesaverde formation.
- 23281
- (4) Communitization Agreement dated April 22, 1966 for Dakota formation.
 - (5) Operating Agreement dated May 10, 1966 for Dakota formation, Tenneco Oil Company named operator. Amended January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20383

Oil and Gas Lease dated August 31, 1949 between Anna Goulding as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 2: Lots 1 and 2, and S 1/2 NE 1/4

containing 158.95 acres, more or less, said lease being recorded in Book 139, Page 254, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23068
- (1) Designation of Pooled Unit dated March 16, 1953, filed Book 223, Page 34.
 - (2) Communitization Agreement dated December 18, 1952 between Southern Union Gas Company, and El Paso Natural Gas Company for Mesaverde formation, filed Book 225, Page 59.
 - (3) Communitization Agreement dated June 6, 1969 for Dakota formation.
 - (4) Joint Operating Agreement dated December 18, 1952 between Southern Union Gas Company, operator, and El Paso Natural Gas Company, non-operator, filed Volume 202, Page 18 for Mesaverde formation. Amended June 6, 1969 to include Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20384

Oil and Gas Lease dated November 9, 1949, by and between Edward H. Ball and wife, Ruth M. Ball as Lessors, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 24: NE 1/4 SE 1/4

containing 40 acres, more or less, said lease being recorded in Book 140, Page 11, Records of said San Juan County.

The foregoing lease being subject to:

- 23064
- (1) Communitization Agreement dated September 1, 1978, executed by Southland Royalty Company et al, recorded in Book 866, Page 151, Records of said San Juan County.
 - (2) Communitization Agreement dated January 10, 1952, executed by Southern Union Gas Company et al, recorded in Book 182, Page 6, Records of said San Juan County, as amended by instrument dated September 1, 1978 recorded in Book 858, Page 183, of said Records.
 - (3) Operating Agreement dated May 9, 1952, by and between Southern Union Gas Company, Operator, and El Paso Natural Gas Company, Non-Operator, recorded in Book 188, Page 36, Records of said San Juan County, as amended by instrument dated March 1, 1978.
 - (4) Operating Agreement dated March 1, 1978, by and between Southland Royalty Company, Operator, and El Paso Natural Gas Company, Non-Operator.
 - (5) Designation of Pooled Unit dated May 20, 1952, executed by Southern Union Gas Company, recorded in Book 182, Page 82, Records of said San Juan County, as amended by instrument dated January 1, 1979, recorded in Book 848, Page 123, of said records.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20385

Oil and Gas Lease dated November 22, 1949, by and between Floro J. Dalsant, as Lessor, and Southern Union Production Company, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 19: Lots 1, 2, NE 1/4 NW 1/4

Township 32 North, Range 12 West, N.M.P.M.
Section 24: E 1/2 NE 1/4

containing 195.85 acres, more or less, said lease being recorded in Book 139, Page 396, Records of said San Juan County.

The foregoing lease being subject to:

- 23064
- (1) Communitization Agreement dated January 10, 1952, executed by Southern Union Gas Company et al, recorded in Book 182, Page 6, Records of said San Juan County, as amended by instrument dated September 1, 1978, recorded in Book 858, Page 183, of said Records.
 - (2) Operating Agreement dated May 9, 1952, by and between Southern Union Gas Company, Operator, and El Paso Natural Gas Company, Non-Operator, recorded in Book 188, Page 36, Records of said San Juan County, as amended by instrument dated March 1, 1978.
 - (3) Designation of Pooled Unit dated May 20, 1952, executed by Southern Union Gas Company, recorded in Book 182, Page 82, Records of said San Juan County, as amended by instrument dated January 1, 1979, recorded in Book 866, Page 152, Records of said San Juan County.
 - (4) Communitization Agreement dated January 1, 1979 executed by Southland Royalty Company et al, recorded in Book 866, Page 152, Records of said San Juan County.
 - (5) Operating Agreement dated January 1, 1979, by and between Southland Royalty Company, Operator, and El Paso Natural Gas Company, Non-Operator.
- 23090
- (6) Communitization Agreement dated June 1, 1955, executed by Aztec Oil & Gas Company et al, recorded in Book 283, Page 130, Records of said San Juan County.

- (7) Operating Agreement dated June 9, 1955, by and between Aztec Oil & Gas Company, Operator and El Paso Natural Gas Company, Non-Operator, recorded in Book 280, Page 31, Records of said San Juan County.
- (8) Communitization Agreement dated September 7, 1978, executed by Southland Royalty Company, et al, recorded in Book 866, Page 232, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20386

Oil and Gas Lease dated August 31, 1949 between Mary V. Wing, a widow, as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 2: SW 1/4

containing 160 acres, more or less, said lease being recorded in Book 139, Page 255, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23077
- (1) Communitization Agreement dated October 16, 1953 for Mesaverde formation, Book 232, Page 171.
 - (2) Communitization Agreement dated September 20, 1973 for Dakota formation, filed Book 721, Page 315.
 - (3) Designation of Pooled Unit dated October 16, 1953 filed Book 228, Page 16, for dry gas and condensate all formations.
 - (4) Operating Agreement dated June 15, 1977 for Mesaverde and Dakota formations, filed Book 797, Page 182.
 - (5) Operating Agreement dated April 10, 1978 between Southland Royalty Company, operator, and Tenneco et al, as non-operator for Pictured Cliffs formation.
 - (6) Communitization Agreement dated June 6, 1977 for Dakota formation, recorded Volume , Page .

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20387

Oil and Gas Lease dated November 7, 1949 between Mable Inez Ball, as Lessor, and Southern Union Production Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 24: SE 1/4 SE 1/4

containing 40 acres, more or less, said lease being recorded in Book 139, Page 374, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23064
- (1) Communitization Agreement dated September 1, 1978 for Pictured Cliffs formation.
 - (2) Communitization Agreement dated January 10, 1952, filed in Book 182, Page 6, between Southern Union Gas Company JoAnn Moore and Wayne Moore, et al, for all formations down to and including Mesaverde formation. Amended September 1, 1978 to be limited to Mesaverde formation.
 - (3) Operating Agreement dated May 9, 1952, filed Book 188, Page 36 for all formations down to and including Mesaverde formation. Amended March 1, 1978 limiting to Mesaverde formation.
 - (4) Operating Agreement dated March 1, 1978 making Southland Royalty Company operator for Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20389

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial New Mexico 01772a) dated May 1, 1950 between United States of America as Lessor, and S. D. Colvin as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 9 West, N.M.P.M.

Section 7: Lots 1, 2, 3, 4, 5, SE 1/4 SW 1/4, S 1/2 SE 1/4
Section 8: Lots 2, 3, and 4, S 1/2 SW 1/4, SW 1/4 SE 1/4
Section 17: W 1/2
Section 18: All
Section 19: All

Township 28 North, Range 10 West, N.M.P.M.

Section 12: Lot 1

Township 29 North, Range 10 West, N.M.P.M.

Section 13: NE 1/4, E 1/2 NW 1/4, NW 1/4 NW 1/4, NW 1/4 SE 1/4

containing 2340.01 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between Joe D. Reid, et al, operators and Southern Union Gas Company, non-operator.
- 23305 (2) Communitization Agreement dated January 1, 1979 for Mesa-verde formation.
- 23095 (3) Communitization Agreement dated April 1, 1955, for Pictured Cliffs formation, filed Book 289, Page 109.
- (4) Operating Agreement dated April 1, 1955 between Aztec Oil & Gas Company, operator, and Southern Union Gas Company non-operator for Pictured Cliffs formation.
- 23250 (5) Communitization Agreement dated August 23, 1963 for Dakota formation.

- (6) Operating Agreement dated June 13, 1980 Between El Paso Natural Gas Company, operator, and Gulf Oil Corporation, et al, non-operators for Dakota formation.
- 23305 (7) Communitization Agreement dated October 1, 1968, for Pictured Cliffs formation, filed Book 673, Page 35.
- (8) Operating Agreement dated October 1, 1968 between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, non-operator for Pictured Cliffs formation.
- 23111 (9) Communitization Agreement dated May 25, 1956, for Pictured Cliffs formation, filed Book 309, Page 30.
- (10) Operating Agreement dated May 25, 1956 between Aztec Oil & Gas Company, operator and El Paso Natural Gas Company, non-operator, for Pictured Cliffs formation.
- 23139 (11) Communitization Agreement dated June 5, 1958 for Mesaverde formation.
- (12) Operating Agreement dated June 5, 1958 for Mesaverde formation, El Paso Natural Gas Company, operator.
- 23219 (13) Communitization Agreement dated November 8, 1961 for Dakota formation.
- (14) Operating Agreement dated November 8, 1961, amended February 1, 1980 for Dakota formation, Supron, operator.
- 23294 (15) Communitization Agreement dated March 29, 1967, for Pictured Cliffs formation.
- (16) Operating Agreement dated March 29, 1967, for Pictured Cliffs formation, El Paso Natural Gas Company, operator, amended June 1, 1978.
- 23297 (17) Communitization Agreement dated March 2, 1967 for Mesa-verde and Dakota formations, filed Book 651, Page 159.
- (18) Operating Agreement dated March 2, 1967, for Dakota and Mesaverde formations. Aztec Oil & Gas Company, operator. Amended June 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20390

Oil and Gas Lease (E-3520), dated May 10, 1950, between State of New Mexico, as Lessor, and Southern Union Gas Company, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 9 West, N.M.P.M.

Section 32: S 1/2 SE 1/4

Section 36: N 1/2 NE 1/4, SE 1/4 NE 1/4, N 1/2 NW 1/4,
SW 1/4 NW 1/4, SW 1/4 SE 1/4

containing 360 acres, more or less.

The foregoing lease being subject to:

(1) Assignment of Operating Rights from Aztec Oil & Gas Company, to El Paso Natural Gas Company for tracts described in Section 36, from surface down to and including the Mesaverde formation, dated May 6, 1958.

23423 (2) San Juan 32-9 Unit, dated February 10, 1953.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20391

Oil and Gas Lease (#B-11125), dated March 21, 1944, between State of New Mexico, as Lessor, and Harry S. Wright, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 9 West, N.M.P.M.
Section 16: NE 1/4 SW 1/4, S 1/2 SW 1/4, NW 1/4 SE 1/4

containing 160 acres, more or less.

The foregoing lease being subject to:

- (1) Assignment of Operating Rights from Aztec Oil & Gas Company, to El Paso Natural Gas Company for Section 16 as described herein limited to all formations down to and including the Mesaverde formation.

23423 (2) San Juan 32-9 Unit, dated February 10, 1953.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20392

Lease of Oil and Gas lands under Act of February 25, 1920, as amended (Serial New Mexico 02814) dated December 1, 1950 between United States of America as Lessor, and A. S. Grenier as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 20: SW 1/4

containing 160 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between John S. Cain and Cathryn Jackson Cain, his wife, and Southern Union Gas Company.
- 23075 (2) Communitization Agreement dated May 21, 1953 for Mesaverde formation.
- (3) Operating Agreement dated May 21, 1953 between Wood River Oil and Refining Co., Inc., operator, and Rock Island Oil and Refining Co. Inc., non-operator, for Mesaverde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20393

Lease of Oil and Gas Lands under the Act of February 25, 1920, as amended (Serial Santa Fe 079320) dated May 1, 1948 between United States of America as Lessor, and P. H. Robinson, Jr., as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range West, N.M.P.M.

Section 10: Lots 1, 2, 3, 4, S 1/2

Section 11: Lots 1, 2, 3, 4, S 1/2

containing 737.03 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23423 (1) San Juan 32-9 Unit Agreement dated February 10, 1953.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20397

Oil and Gas Lease (NM No. E-5318-1) dated June 11, 1951 between State of New Mexico as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.

Section 2: NW 1/4 SW 1/4

Section 16: NE 1/4 NW 1/4, NW 1/4 NW 1/4, NE 1/4 SE 1/4

Section 23: SE 1/4 NW 1/4

Section 36: NW 1/4 SE 1/4

containing 240 acres, more or less, said lease being recorded in Book
Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- (1) Communitization Agreement dated April 5, 1978 between El Paso Natural Gas Company, Southland Royalty Company, et al, relating to Pictured Cliffs formation.
- 23073 (2) Communitization Agreement dated November 15, 1952 between El Paso Natural Gas Company, Southern Union Gas Company, et al, relating to Mesaverde formation. (Brookhaven State #1 Well).
- (3) Operating Agreement dated June 30, 1977 between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company non-operator, relating to Mesaverde formation unitized under Communitization Agreement No. 23073 referenced above.
- 23074 (4) Communitization Agreement dated November 15, 1952 between El Paso Natural Gas Company, Southern Union Gas Company, et al, relating to Mesaverde formation. (Brookhaven State #2).
- (5) Operating Agreement dated April 15, 1976 between El Paso Natural Gas Company, operator and Aztec Oil & Gas Company, non-operator, relating to Pictured Cliffs and Mesaverde formations (Brookhaven Com A #2 and #2A Wells), recorded in Book 761, Page 140 of said records.
- 23078 (6) Communitization Agreement dated July 1, 1953 between El Paso Natural Gas Company, The Atlantic Refining Company et al relating to Mesaverde formation (Atlantic #8 Well).

- (7) Operating Agreement dated July 1, 1953 between El Paso Natural Gas Company, operator, and Brookhaven Oil Company non-operator, et al, relating to Mesaverde formation (Atlantic #8 Well).
- (8) Operating Agreement dated November 1, 1976 between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company et al, non-operators, relating to Mesaverde formation (Atlantic Com B #8 and #8A Wells).
- 23079 (9) Communitization Agreement dated April 1, 1953 between El Paso Natural Gas Company, Pubco Development, Inc., et al, relating to the Mesaverde formation.
- (10) Operating Agreement dated April 1, 1953 between El Paso Natural Gas Company, operator, and Pubco Development, Inc., et al, non-operators, for Mesaverde formation unitized under Communitization Agreement No. 23079 referenced above.
- (11) Communitization Agreement dated September 22, 1972 between El Paso Natural Gas Company, and Aztec Oil & Gas Company et al, relating to Pictured Cliffs formation unitized under Communitization Agreement No. 23355 referenced below.
- 23355 (12) Operating Agreement dated September 22, 1972 between El Paso Natural Gas Company, and Aztec Oil & Gas Company, et al, relating to Pictured Cliffs formation.
- 23377 (13) Communitization Agreement dated April 15, 1976 between El Paso Natural Gas Company, and Aztec Oil & Gas Company, et al, relating to Pictured Cliffs formation (Brookhaven Com. M. #15).
- (14) Operating Agreement dated April 15, 1976, El Paso Natural Gas Company, operator and Aztec Oil & Gas Company relating to Pictured Cliffs formation unitized under Communitization Agreement No. 23377 referenced above.
- 23378 (15) Communitization Agreement dated April 15, 1976 for Pictured Cliffs formation recorded in Book 761, Page 231 of said records.
- (16) Unit Agreement for Development and Operation of the San Juan 32-9 Unit area, County of San Juan, State of New Mexico dated February 10, 1953 between El Paso Natural Gas Company, Southern Union Gas Company, et al, relating to all formations,

- (17) Unit Operating Agreement, San Juan 32-9 Unit area dated February 10, 1953 between El Paso Natural Gas Company, Southern Union Gas Company, et al, relating to formations unitized under Communitization Agreement No. 23423.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20398

Oil and Gas Mining Lease - Tribal Indian Lands (Contract I-149) dated June 8, 1948 between Navajo Tribe of Indians as Lessor, and The Texas Company as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 18 West, N.M.P.M.

Section 25: N 1/2, insofar as it covers rights from 50 feet below the base of the Horseshoe Gallup Sand formation.

containing 320 acres, more or less, said lease being recorded in Book 132, Page 86, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated May 4, 1953 between the Texas Company and Southern Union Gas Company, operator, recorded Book 212, Page 22.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20399

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial Santa Fe 078215) dated April 1, 1948 between United States of America as Lessor, and C. S. Page, Jr., as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 10 West, N.M.P.M.

Section 7: Lots 2, 3, 4, 5, SE 1/4 SW 1/4, S 1/2 SE 1/4

Section 18: S 1/2

containing 609.55 acres, more or less.

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between R. B. Lea and Margaret Lea, his wife, and Southern Union Gas Company.
- 500033 (2) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator and H. F. Pettigrew and John Worley, non-operators. Rights down through Dakota formation.
- 23082 (3) Operating Agreement dated January 1, 1955 between Aztec Oil & Gas Company, operator, and Southern Union Gas Company, non-operator for Section 7, filed Book 274, Page 33.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20400

Oil and Gas Lease dated May 6, 1950 between Frank Randlemon and wife, Eve Randlemon, as Lessors, and H. F. Pettigrew, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 24: N 1/2 SW 1/4 NW 1/4

Section 25: Part of NW 1/4 NW 1/4, as described in said lease,

containing 24 acres, more or less, said lease being recorded in Book 146, Page 355, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Pooling Agreement dated December 15, 1952 by Southern Union Gas Company for 24 acre tract described above, filed Book 197, Page 36.
- 23066 (2) Communitization Agreement dated November 24, 1952 for only the Meseverde formation, filed Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator, and Charles Birks Jahn, non-operator, for Mesaverde formation.
- 23342 (4) Unitization Agreement dated September 22, 1970, recorded Book 685, Page 275 for Pictured Cliffs formation.
- (5) Operating Agreement dated September 22, 1970 for Aztec Oil & Gas Company, operator, amended July 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20401

Oil and Gas Lease dated December 20, 1949, by and between Carl G. Calloway et al, as Lessor, and H. F. Pettigrew, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.

SW 1/4 NW 1/4 of Section 2; Also 27 4/10 acres in NE 1/4 NE 1/4 of Section 3, and 6.19 acres in NW 1/4 NW 1/4 of Section 2, Beginning at the SW corner of said NE 1/4 NE 1/4 of Section 3, or at the center of the NE 1/4 of Section 3; Thence East at 20 Gunter's chains crosses the Section line and enters Section 2 at 29 1/2 chains the SE corner of this tract; Thence North 18 1/2° West 7.9 chains; Thence West 7 chains to a corner in the Section line; Thence North 47° West 18 chains to a post in a wire fence; Thence South 32° West with said fence 1.50 chains; Thence West 80 links to the East line of the Denver & Rio Grande Western Railroad Company reservation; Thence South 24 1/2° West with a wire fence to a point due North of the beginning hereof; Thence South 7.19 chains to the beginning, in all 33.59 acres. Also One and Eighteen Hundredths acres of land in the SE corner of the NW 1/4 NE 1/4 of Section 3 beginning at the center of the SE 1/4 of Section 3; Thence North 7.19 Gunter's chains; Thence South 24 1/2° West with the wire fence for the East line of the Denver & Rio Grande Western Railroad Company reservation to a point due West of the beginning hereof; Thence 3.29 chains to the place of beginning.

containing 74.41 acres, more or less, LESS and EXCEPT all rights in the Dakota formation in and under that portion of said land lying in Section 3, said lease being recorded in Book 140, Page 334, Records of said San Juan County.

The foregoing lease being subject to:

- 23138 (1) Communitization Agreement dated January 15, 1959, by and between Tennessee Gas Transmission Company, Operator, and Aztec Oil & Gas Company, Non-Operator, and other subscribing parties.

- (2) Joint Operating Contract dated January 15, 1959, by and between Tennessee Gas Transmission Company, Operator, and Aztec Oil & Gas Company, Non-Operator.
- 23357 (3) Operating Agreement dated January 10, 1975, by and between Southern Union Production Company, Operator and Aztec Oil & Gas Company, et al, Non-Operator as amended by instrument dated August 7, 1979, executed by Supron Energy Corporation, Southland Royalty Company and W. P. Carr.
- (4) Designation of Pooled Unit dated August 28, 1974, executed by Southern Union Production Company, Aztec Oil & Gas Company and W. P. Carr.
- 23246 (6) Communitization Agreement dated October 12, 1962, by and between Tenneco Corporation, Operator, and Aztec Oil & Gas Company, Non-Operator, and other subscribing parties.
- (7) Operating Agreement dated October 12, 1962 by and between Tenneco Oil Company, Operator, and Aztec Oil & Gas Company, Non-Operator, as amended.
- 23062 (8) Pooling Agreement dated June 25, 1954 for Pictured Cliffs formation.
- (9) Operating Agreement dated June 25, 1954 for Pictured Cliffs formation Southern Union Gas Company, Operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20402

Oil and Gas Lease dated September 19, 1949 between Thomas Marcotte and Eula Marcotte, husband and wife, as Lessors, and Southern Union Production Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.

Section 25: S 1/2 SE 1/4, S 1/2 SW 1/4

Section 35: N 1/2 NE 1/4

Section 26: S 1/2 SE 1/4

containing 320 acres, more or less, said lease being recorded in Book 139, Page 249, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23086-02 (1) Communitization Agreement dated February 1, 1978, for Pictured Cliffs formation.
- (1-A) Operating Agreement dated February 1, 1978 for Pictured Cliffs formation.
- (2) Communitization Agreement dated March 31, 1955 for Mesaverde formation, filed Book 284, Page 26.
- (3) Operating Agreement dated March 31, 1955 between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, non-operator, for Mesaverde formation, filed Book 278, Page 1,
- (4) Communitization Agreement dated January 12, 1967 for Dakota formation filed in Book 656, Page 44.
- (5) Agreement dated January 12, 1967 amending Operating Agreement filed Book 278, Page 1, and Communitization Agreement filed Book 284, Page 26, each dated March 1955.
- 23069 (6) Designation of Pooled Unit dated April 17, 1953, filed
23306 Book 208, Page 131. Amended April 25, 1979, filed Book 866, Page 364, and Book 877, Page 109.

- 23306
23069
- (7) Communitization Agreement dated April 25, 1952 between Southern Union Gas Company, et al, filed Book 214, Page 116. Amended April 1, 1979, filed Book 866, Page 285.
- (8) Operating Agreement dated May 26, 1952 between Southern Union Gas Company, operator, and El Paso Natural Gas Company, non-operator, down to and including the Mesa-verde formation.
- (9) Amendment to Designation of Pooled Unit dated , 1980 to provide spacing in the Pictured Cliffs and Mesaverde formations.
- 23069-01
- (10) Operating Agreement dated March 1, 1979 between Southland Royalty Company, operator, and El Paso Natural Gas Company, non-operator, for Pictured Cliffs formation only.
- (11) Communitization Agreement dated March 8, 1979 for Pictured Cliffs formation, filed Book 866, Page 363.
- 23128
- (12) Communitization Agreement dated February 15, 1957 for Mesaverde formation, filed Book 328, Page 184.
- (13) Operating Agreement dated February 16, 1978 between El Paso Natural Gas Company, operator, and Southland Royalty Company, non-operator, for Mesaverde formation.
- 23291
- (14) Communitization Agreement dated August 5, 1966 for Dakota formation filed Book 639, Page 96.
- (15) Operating Agreement dated August 5, 1966 for Dakota formation, Tenneco Oil Company, operator, amended January 1, 1980.
- 23306
- (16) Communitization Agreement dated October 8, 1968 for Dakota formation filed Book 673, Page 4.
- 23306
- (17) Operating Agreement dated October 8, 1968 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20403

Oil and Gas Lease, amended July 10, 1969, dated May 4, 1950 between George F. Bruington and wife, Grace Bruington, as Lessors, and H. F. Pettigrew, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 25: SE 1/4 NW 1/4, SW 1/4 NE 1/4, NW 1/4 NE 1/4
except 5.95 acres conveyed to Denver Rio
Grande Railroad Company, as described in said lease,

containing 114.05 acres, more or less, said lease being recorded in Book 146, Page 320, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Pooling Agreement by Southern Union Gas Company dated December 12, 1952 for Mesaverde formation, recorded Book 197, Page 37.
- 23066 (2) Communitization Agreement dated November 24, 1952 for Mesaverde formation, recorded Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator, and Charles Birks Jahn, non-operator, for Mesaverde formation.
- 23320 (4) Communitization Agreement dated July 9, 1969 for Pictured Cliffs formation, recorded Book 673, Page 260.
- 23342 (5) Unitization Agreement dated September 22, 1970, recorded Book 685, Page 275, Pictured Cliffs formation.
- (6) Operating Agreement dated September 22, 1970 for Pictured Cliffs formation and amended July 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20404

Lease of Oil and Gas Lands (Serial Santa Fe 078118-A) dated as of September 1, 1948, between the United States of America, as Lessor, and Ruby Griffin Holt, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 19: SE 1/4 NW 1/4, E 1/2 SW 1/4

containing 120 acres, more or less.

The foregoing lease being subject to:

- 23090
- (1) Communitization Agreement dated June 1, 1955, executed by Aztec Oil & Gas Company, et al, recorded in Book 283, Page 130, Records of said San Juan County.
 - (2) Operating Agreement dated June 9, 1955, by and between Aztec Oil & Gas Company, operator, and El Paso Natural Gas Company, non-operator, recorded in Book 280, Page 31, Records of said San Juan County.
 - (3) Communitization Agreement dated September 7, 1978, executed by Southland Royalty Company, et al, Book 866, Page 232, Records of said San Juan County.
 - (4) Operating Agreement dated January 1, 1979, by and between Southland Royalty Company, operator, and El Paso Natural Gas Company, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20405

Lease of Oil and Gas Lands (Serial Santa Fe 080517) dated as of August 1, 1951, between the United States of America, as Lessor, and Edith A. Payne, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 10 West, N.M.P.M.
Section 28: N 1/2 NW 1/4

containing 80 acres, more or less.

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952, by and between Paul S. Albright and wife, Laura Z. Albright, Lessee, and Southern Union Gas Company, Operator, as amended by Assignment of Oil and Gas Lease dated January 1, 1961 from Paul S. Albright and wife, Laura Z. Albright, Assignor, and Southern Union Gas Company to Southern Union Production Company, Assignee.
- 23076 (2) Communitization Agreement dated June 1, 1953, executed by Stanolind Oil and Gas Company et al.
- (3) Operating Agreement dated April 18, 1977, by and between Amoco Production Company, Operator, and Aztec Oil & Gas Company, Non-Operator.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20407

Oil and Gas Lease (B-10037) dated January 12, 1943 between the State of New Mexico, as Lessor, and W. S. Patterson, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 7 West, N.M.P.M.
Section 16: All

containing 640 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23421 (1) Unit Agreement dated December 7, 1953 for San Juan Unit
29-7 Unit area, Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20411

Oil and Gas lease (B-10037) dated January 12, 1943, by and between the State of New Mexico, as Lessor, and W. S. Patterson, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
Section 32: SE 1/4

containing 160 acres, more or less.

The foregoing lease being subject to:

- 23422 (1) Unit Agreement dated January 16, 1953, executed by El Paso Natural Gas Company, et al.
- (2) Unit Operating Agreement dated January 16, 1953, by and between El Paso Natural Gas Company, Unit Operator, and Phillips Petroleum Company et al, Non-Operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20412

Oil and Gas Lease dated February 1, 1948 between the United States of America, as Lessor, and Raymond H. Heaton as Lessee, S.F. 078097A, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 25: E 1/2 NE 1/4

containing 80 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 between Joe D. Reid and Marjorie Gray Reid and Southern Union Gas Company.
- 23066 (2) Communitization Agreement dated November 15, 1952 for Mesaverde formation, filed Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator, and Charles Birks Jahn, non-operator, only for Mesaverde formation.
- 500033 (4) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators, as to rights down through Dakota formation.
- 23320 (5) Communitization Agreement dated July 9, 1969 for Pictured Cliffs formation, recorded Book 673, Page 260.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20413

Oil and Gas Lease dated June 1, 1951 between United States of America as Lessor, and Edward Colton Evensen as Lessee, (S.F. 081240), covering the following described land:

Township 32 North, Range 11 West, N.M.P.M.
Section 35: SE 1/4

containing 160 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- 23081
- (1) Operating Agreement dated September 15, 1952 between John S. Cain and Catharyn Jackson Cain and Southern Union Gas Company.
 - (2) Communitization Agreement dated October 15, 1953 for Section 35: SE 1/4, Mesaverde formation, filed Book 242, Page 126, and as amended February 8, 1955.
 - (3) Operating Agreement dated October 29, 1953 between Southern Gas Company, operator, and El Paso Natural Gas Company et al, non-operators for Mesaverde formation, filed Book 248, Page 1.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20414

Oil and Gas Lease dated February 1, 1950 between United States of America as Lessor, and C. C. Evenson as Lessee, (S.F. 080314) covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 10 West, N.M.P.M.
Section 31: Lots 3 and 4, E/2 SW 1/4

containing 154.64 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 and Southern Union Gas Company and Paul S. Albright.
- 23065 (2) Communitization Agreement dated June 4, 1952 between Southern Union Gas Company, operator and Raymond C. Harrison et al, non-operators, for gas from Mesaverde formation, recorded Book 210, Page 101.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20416

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial Santa Fe 080313) dated May 1, 1950 between the United States of America as Lessor, and William J. Crosby as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 10 West, N.M.P.M.
Section 31: Lots 1 and 2, E 1/2 NE 1/4

containing 157.86 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated September 15, 1952 Southern Union Gas Company and Paul S. Albright.
- 23065 (2) Communitization Agreement dated June 4, 1952 between Southern Union Gas Company, operator and Raymond C. Harrison, et al, non-operators for gas from Mesaverde formation, recorded Book 210, Page 101.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20417

Oil and Gas Lease (B-11625-22) dated November 20, 1944 between the State of New Mexico, as Lessor, and W. S. Patterson, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 2: NE 1/4 SE 1/4, S 1/2 SE 1/4

containing 120 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23068
- (1) Designation of Pooled Unit dated March 15, 1953 filed Book 223, Page 34.
 - (2) Communitization Agreement dated December 18, 1952 between Southern Union Gas Company and El Paso Natural Gas Company for Mesaverde formation filed Book 225, Page 59.
 - (3) Communitization Agreement dated June 6, 1969 for Dakota formation.
 - (4) Joint Operating Agreement dated December 18, 1952 between Southern Union Gas Company, operator, and El Paso Natural Gas Company, non-operator, filed Volume 202, Page 18 for Mesaverde formation, amended June 6, 1969 to include Dakota formation.
- 23337
- (5) Operating Agreement dated July 7, 1970 for Pictured Cliffs formation.
 - (6) Communitization Agreement dated July 7, 1970 for Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC #20418

Oil and Gas Lease dated October 19, 1949 between Charles W. McCarty, a single man, as Lessor, and W. C. Neal, as Lessee, recorded in Book 5, Page 120 of the Records of Rio Arriba County, New Mexico, and

Oil and Gas Lease dated October 19, 1949 between Adolph Soens and wife, Christine Soens, as Lessors, and W. C. Neal, as Lessee, recorded in Book 5, Page 119 of the Records of Rio Arriba County, New Mexico, said leases each covering the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 6 West, N.M.P.M.

Section 7: SW/4 NW/4 and SW/4 SW/4

Section 18: N/2 NW/4

Township 29 North, Range 7 West, N.M.P.M.

Section 12: SE/4 NE/4, E/2 SE/4,

Section 13: NE/4 NE/4,

containing 320 acres, more or less.

Subject to the following:

- 23421 (1) Unit Agreement dated December 7, 1953 for Mesaverde formation, San Juan Unit 29-7.
- 23420 (2) Unit Agreement dated December 5, 1952 for San Juan Unit 29-6, revised effective March 1, 1963.
- (3) Operating Agreement dated _____, 1952 between Phillips Petroleum Company as Unit operator, and General American Oil Company of Texas et al, non-operators, revised effective March 1, 1963, for Unit 29-6.
- 23421 (4) Operating Agreement dated December 7, 1953, between El Paso Natural Gas Company, as Unit operator, and Phillips Petroleum Company, et al as working interest owners, for San Juan Unit 29-7.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20420

Oil and Gas Lease (E1214) dated February 19, 1947, by and between the State of New Mexico, as Lessor, and Wayne Moore, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
Section 32: N 1/2 NE 1/4

containing 80 acres, more or less.

The foregoing lease being subject to:

- 23422
- (1) Unit Agreement dated January 16, 1953, executed by El Paso Natural Gas Company, et al.
 - (2) Unit Operating Agreement dated January 16, 1953, by and between El Paso Natural Gas Company, Unit Operator, and Phillips Petroleum Company et al, Non-Operator.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20421

Lease of Oil and Gas Lands (Serial Santa Fe 079074) dated May 1, 1951, by and between the United States of America, as Lessor, and T. H. McElvain, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
Section 27: W 1/2

containing 320 acres, more or less.

The foregoing lease being subject to:

- 23422 (1) Unit Agreement dated January 16, 1953, executed by El Paso Natural Gas Company et al.
- (2) Unit Operating Agreement dated January 16, 1953, by and between El Paso Natural Gas Company, Unit Operator, and Phillips Petroleum Company et al, Non-Operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20423

Oil & Gas Lease (E-3071-2) dated November 10, 1949 between State of New Mexico as Lessor, and C. E. Mitcham as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 9, West, N.M.P.M.
Section 16: NE 1/4 NE 1/4, S 1/2 SE 1/4

containing 120 acres, more or less, said lease being recorded in Book ,
Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) San Juan 32-9 Unit Agreement dated February 10, 1953.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20424-00

Oil and Gas Company dated May 27, 1952 between Edith Maize and Melvin L. Maize, (husband and wife) as Lessors, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 25: S 1/2 SW 1/4 NW 1/4

Section 26: S 1/2 SE 1/4 NE 1/4

containing 40 acres, more or less, said lease being recorded in Book 196, Page 287, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033 (1) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators, as to rights down through Dakota formation.
- 23066 (2) Communitization Agreement dated November 24, 1952 for Mesaverde formation only, filed Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator, and Charles Birks Jahn, non-operator, for Mesaverde formation.
- 23112 (4) Operating Agreement dated July 17, 1979 by and between El Paso Natural Gas Company, operator, and John L. Morrison, et al, for Mesaverde formation.
- (5) Communitization Agreement dated January 1, 1957 for Mesaverde formation, recorded Book 359, Page 94.
- 23342 (6) Unitization Agreement dated September 22, 1970 for Pictured Cliffs formation, recorded Book 685, Page 275.
- (7) Operating Agreement dated September 22, 1970 Aztec Oil & Gas Company, operator, for Pictured Cliffs formation, amended July 1, 1978 by letter.
- 23365 (8) Communitization Agreement dated May 10, 1974 for Pictured Cliffs formation, Recorded Book 733, Page 224.

- (9) Operating Agreement dated May 7, 1974, El Paso Natural Gas Company, operator, for Pictured Cliffs formation, recorded Book 733, Page 225.
- (10) Designation of Pooled Unit dated May 29, 1974 covering all rights down to and including Pictured Cliffs formation, filed Book 733, Page 43.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20424-01

Oil and Gas Lease dated April 10, 1952 between Mrs. Eloise Emmons as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 25: S 1/2 SW 1/4 NW 1/4
Section 26: S 1/2 SE 1/4 NE 1/4

containing 40 acres, more or less, said lease being recorded in Book 196, Page 285, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033 (1) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company operator and H.F. Pettigrew and John Worley non-operators, as to rights down through Dakota Formation.
- 23066 (2) Communitization Agreement dated November 24, 1952 for Mesaverde formation, recorded Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil and Gas Company, operator and Charles Burke Jahn, non-operator, for Mesaverde formation.
- 23112 (4) Operating Agreement dated July 17, 1979 by and between El Paso Natural Gas Company, as operator and John W. Morrison, et al, for Mesaverde formation
- (5) Communitization Agreement dated January 1, 1957 for Mesaverde formation, recorded Book 359, Page 94.
- 23342 (6) Unitization Agreement dated September 22, 1970, recorded Book 685, Page 275, for Pictured Cliffs formation.
- (7) Operating Agreement dated September 22, 1970, Aztec Oil & Gas Company, operator and amended July 1, 1978 by letter, for Pictured Cliffs formation.
- 23365 (8) Communitization Agreement dated May 10, 1974 for Pictured Cliffs formation, recorded Book 733, Page 224.

- (9) Operating Agreement dated May 7, 1974, El Paso Natural Gas Company, operator, for Pictured Cliffs formation, recorded Book 733, Page 225.
- (10) Designation of Pooled Unit dated May 29, 1974 covering all rights down to and including Pictured Cliffs formation, filed Book 733, Page 43.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20424-02

Oil and Gas Lease dated May 27, 1952 between Anne Peterson and Torgny C. Peterson as Lessors, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 25: S 1/2 SW 1/4 NW 1/4

Section 26: S 1/2 SE 1/4 NE 1/4

containing 40 acres, more or less, said lease being recorded in Book 196, Page 286, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033 (1) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H. F. Pettigrew non-operator as to rights down through Dakota formation.
- 23066 (2) Communitization Agreement dated November 24, 1952 for Mesaverde formation only, filed Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator and Charles Birks Jahn, non-operator, only for Mesaverde formation.
- 23112 (4) Operating Agreement dated July 17, 1979 by and between El Paso Natural Gas Company as operator and John L. Morrison, et al, for the Mesaverde formation.
- (5) Communitization Agreement dated January 1, 1957 for Mesaverde formation, filed Book 359, Page 94.
- 23342 (6) Unitization Agreement dated September 22, 1970, recorded Book 685, Page 275, for Pictured Cliffs formation.
- (7) Operating Agreement dated September 22, 1970, Aztec Oil & Gas Company, operator and amended July 1, 1978 by letter, for Pictured Cliffs formation.
- 23365 (8) Communitization Agreement dated May 10, 1974 for Pictured Cliffs formation, recorded Book 733, Page 224.

- (9) Operating Agreement dated May 7, 1974, El Paso Natural Gas Company, operator, for Pictured Cliffs formation, recorded Book 733, Page 225.
- (10) Designation of Pooled Unit dated May 29, 1974 covering all rights down to and including Pictured Cliffs formation, filed Book 733, Page 43.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20425

Oil and Gas Lease dated February 1, 1952 between Social Neighbors Club as Lessor, and Primo Oil Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 25: 2.09 acres out of NW 1/4 NW 1/4, described as follows:

Beginning at a point in Section 25, Township 31 North, Range 11 West, N.M.P.M., whence the 1/2 corner between Sections 24 and 25 bears North 57° 15' East 1828 feet; Thence South 250 feet; Thence North 66° 37' West 251.4 feet; Thence North 17° 56' West 180.5 feet; Thence North 45° 53' West 188 feet; Thence North 26° 19' East 90 feet; Thence South 58° 43' East 447 feet to a point of beginning, and containing 2.09 acres, more or less, and being a fractional part of the NW 1/4 NW 1/4 of Section 25, Township 31 North, Range 11 West, N.M.P.M. variation 13° 31' East. Being the same land described in Warranty Deed from Ed Hopkins to the Social Neighbors Club, dated April 5, 1935, recorded in Book 98, Page 97 of the records of said County.

containing 2.09 acres, more or less, said lease being recorded in Book 177, Page 400, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033
- (1) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator and H. F. Pettigrew and John Worley, non-operators as to rights down through Dakota formation.
 - (2) Communitization Agreement dated July 9, 1969 for Pictured Cliffs formation, recorded Book 673 Page 260.
 - (3) Communitization Agreement dated November 24, 1952 for Mesaverde formation only, filed in Book 208, Page 29.
 - (4) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator and Charles Birks Jahn, non-operator, only for Mesaverde formation.
- 23342
- (5) Unitization Agreement dated September 22, 1970, filed Book 685, Page 275 for Pictured Cliffs formation.

- (6) Operating Agreement dated September 22, 1970, Aztec Oil & Gas Company, operator for Section 25, for Pictured Cliffs formation, and amended July 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20426

Lease of Oil and Gas Lands (Serial Santa Fe 078039-A), dated as of February 1, 1948, by and between the United States of America, as Lessor, and Walter S. Barnes, Sr., as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 24: S 1/2

containing 320 acres, more or less.

The foregoing lease being subject to:

- (1) Operating Agreement dated November 1, 1955, by and between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and wife, Mary E. Pettigrew, and John A. Worley and wife, Geraldine W. Worley, non-operators, as amended.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20428

Oil and Gas Lease (S.F. 077842) dated February 1, 1948 between United States of America as Lessor, and William Mansfield as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 7 West, N.M.P.M.

Section 15: W 1/2, N 1/2 NE 1/4, NW 1/4 SE 1/4, S 1/2 SE 1/4.

containing 520 acres, more or less, said lease being recorded in Book 192, Page 169, Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23421 (1) Unit Agreement dated December 7, 1953 for San Juan Unit 29-7 area, Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20429

Oil and Gas Lease dated August 1, 1948 between United States of America as Lessor, and L. H. Prichard, Jr., as Lessee (S.F. 078487), insofar as said lease covers the following described land:

Township 29 North, Range 8 West, N.M.P.M.

Section 4: All

Section 10: NE 1/4

containing 809.04 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23071
- (1) Farmout Agreement dated December 17, 1952 to Southern Union Gas Company.
 - (2) Operating Agreement dated December 28, 1953 between A. G. Hill and Southern Union Gas Company, all formations down to and including the Mesaverde formation, recorded Book 266, Page 5 and amended February 17, 1961.
 - (3) Communitization Agreement dated April 10, 1953 for Mesaverde formation, recorded Book 216, Page 107.
 - (4) Operating Agreement dated April 12, 1955 between Aztec Oil & Gas Company, operator and A. G. Hill et al, non-operators, for Mesaverde formation, and as amended February 17, 1961.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20431

Oil and Gas Lease dated December 8, 1948 between Nellie R. Morrison, a widow as Lessor, and H. F. Pettigrew Oil Company as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.

Section 25: N 1/2 NW 1/4, excepting a portion of the right-of-way of Denver & Rio Grande Western Railroad Company containing 1.28 acres, more or less; also excepting the Social Neighbors Club 2.09 acres, and the Frank Randlemon 4 acres.

Section 26: a tract of land containing about 4 acres, more or less, located in the extreme NE corner of the NE 1/4 of the NE 1/4, as the same is located and situated north and east of the Hart Arroya in said described legal subdivision.

all as more particularly described in said lease and containing 76.63 acres, more or less, said lease being recorded in Book 135, Page 332, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500033 (1) Operating Agreement dated June 1, 1963 between Aztec Oil & Gas Company, operator, and H. F. Pettigrew and John Worley, non-operators, as to rights down through Dakota formation.
- 23066 (2) Communitization Agreement dated November 24, 1952 for Mesaverde formation only, filed Book 208, Page 29.
- (3) Operating Agreement dated May 18, 1962 between Aztec Oil & Gas Company, operator, and Charles Birks Jahn, non-operator, only for Mesaverde formation.
- 23342 (4) Unitization Agreement dated September 22, 1970 for Pictured Cliffs formation, recorded Book 685, Page 275.
- (5) Operating Agreement dated September 22, 1970 Aztec Oil & Gas Company, operator and amended July 1, 1978 by Letter, for Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20433

Lease of Oil and Gas Lands (Serial Santa Fe 065557-A) dated as of December 31, 1938 between the United States of America, as Lessor, and Dudley Cornell, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West N.M.P.M.
Section 12: W 1/2 SW 1/4

containing 80 acres, more or less, and insofar and only insofar as said lease covers those formations down to and including the Pictured Cliffs formation, said lease being recorded in Book 99, Page 224, Records of said San Juan County.

The foregoing lease being subject to:

- 23100 (1) Communitization Agreement dated November 22, 1964 executed by Aztec Oil & Gas Company et al.
- 23101 (2) Communitization Agreement dated March 1955, executed by Aztec Oil & Gas Company, et al, recorded in Book 301, Page 8, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20435-01

Oil and Gas Lease dated April 21, 1952 between Annie L. Morris, a single person as Lessor, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31, North, Range 11 West, N.M.P.M.

Section 34: All of that part of the SW 1/4 NE 1/4 lying West of Las Animas River and all that part of the SE 1/4 NW 1/4, except that part lying West of the County Road running North and South through said 40 acre tract, and also except, from both of above tracts, 4 acres lying North of arroya along the North part of said tracts.

as described in said lease, containing 45 acres, more or less, said lease being recorded in Book 186, Page 144.

The foregoing lease being subject to:

- 23104
- (1) Communitization Agreement dated December 15, 1956 between El Paso Natural Gas et al, for Pictured Cliffs Formation and Mesaverde Formation, recorded Book 325, Page 182., Records of San Juan County, New Mexico.
 - (2) Operating Agreement dated December 15, 1956 between El Paso Natural Gas Company et al, for Pictured Cliffs and/or Mesaverde Formations.
- 23125
- (3) Designation of Pooled Acreage dated February 1, 1957, covering all rights down to the base of the Mesaverde Formation.
 - (4) Communitization Agreement dated February 20, 1957 for Mesaverde and Pictured Cliffs Formations, filed Book 367, Page 144.
 - (5) Operating Agreement dated February 20, 1957 between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company, et al, non-operators for Mesaverde and Pictured Cliffs Formations, as to production of dry gas and associated hydrocarbons.
 - (6) Operating Agreement dated March 4, 1980 between El Paso Natural Gas Company, operator and Southland Royalty Company et al, non-operators, for Mesaverde Formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20435-02

Oil and Gas Lease (as amended) dated May 13, 1952, between Glenn R. Johnson and Mable C. Johnson, husband and wife, as Lessors, and Southern Union Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11, West, N.M.P.M.

Section 34: All of that part of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ lying West of Las Animas River and all of that part of the SE $\frac{1}{4}$ NW $\frac{1}{4}$ except that part lying West of the County Road running North and South through said 40 acre tract and also except, from both above tracts, 4 acres lying North of the arroyo along the North part of said tracts,

as described in said lease, containing 45 acres, more or less, said lease being recorded in Book 186, Page 145, amendment to said lease being recorded in Book 310, Page 142.

The foregoing lease being subject to:

- 23104 (1) Communitization Agreement dated December 15, 1956 between El Paso Natural Gas Company et al, for Pictured Cliffs Formation and Mesaverde Formation, recorded Book 325, Page 182, Records of San Juan County, New Mexico.
- (2) Operating Agreement dated December 15, 1956 between El Paso Natural Gas Company et al, for Pictured Cliffs Formation and Mesaverde Formation.
- 23125 (3) Designation of Pooled acreage dated February 1, 1957 covering all rights down to the base of the Mesaverde Formation.
- (4) Communitization Agreement dated February 20, 1957 for Mesaverde Formation and Pictured Cliffs Formation, filed Book 367, Page 144.
- (5) Operating Agreement dated February 20, 1957 between El Paso Natural Gas Company, operator, and Aztec Oil & Gas Company, et al, non-operators for Mesaverde and Pictured Cliffs Formations, as to production of dry gas and associated hydrocarbons.
- (6) Operating Agreement dated March 4, 1980 between El Paso Natural Gas Company, operator and Southland Royalty Company et al, non-operators for Mesaverde Formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20436

Oil and Gas Lease dated February 23, 1957 between Sadie West, a widow and Martha S. Stoy and Edward G. Stoy, her husband as Lessors, and Anderson-Pritchard Oil Corporation as Lessee, insofar as said lease covers the following rights:

Township 31 North, Range 12 West, N.M.P.M.
Section 21: All rights NW $\frac{1}{4}$ NE $\frac{1}{4}$; and rights
to the base of the Mesaverde formation
in E $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$,

containing 240 acres, more or less, said lease being recorded in Book 325, Page 170, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23129 (1) Communitization Agreement dated April 17, 1957 between Anderson-Prichard Oil Company and Paul S. Albright, et al,
- (2) Operating Agreement dated April 17, 1957, by and between Allied Chemical Corporation as operator and Aztec Oil & Gas Company, and as amended July 15, 1964.
- 23152 (3) Communitization Agreement dated June 18, 1959 for Mesaverde formation, filed Book 425, Page 51.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20437

Lease of Oil and Gas Lands (Serial NM 05941) dated September 1, 1951, by and between the United States of America, as Lessor, and Tom Bolack, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.
Section 8: N 1/2 SW 1/4

containing 80 acres.

The foregoing lease being subject to:

- 23178 (1) Communitization Agreement dated September 23, 1960, executed by Aztec Oil & Gas Company et al, recorded in Book 471, Page 10, Records of said San Juan County.
- 23289 (2) Communitization Agreement dated October 15, 1966, executed by Aztec Oil & Gas Company, recorded in Book 656, Page 176, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20438

Oil and Gas Lease dated April 1, 1958 between The Denver and Rio Grande Western Railroad Company as Lessor, and M. L. Cummins as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 35: all of the land covered by the right-of-way for the main track of the Farmington Branch of the Denver and Rio Grande Western Railroad Company which crosses the NW 1/4 SW 1/4.

containing 3.54 acres, more or less, as more particularly described in said lease recorded in Book 404, Page 178, Records of San Juan County, New Mexico.

The foregoing lease being subject to:

- 23024 (1) Communitization Agreement dated May 29, 1951 between Southern Union Gas Company and A. S. Grenier, Lessees, and Calvin R. Dabbs and his wife Myra M. Dabbs, and Roy L. Flood and his wife Dixie D. Flood for all above described land, as amended December 16, 1957, said amendment being filed Book 160, Page 105.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20441

Oil and Gas Mining Lease (Jicarilla Tribal Contract No. 124), dated April 24, 1953, by and between Frank Vigil, Chairman of the Jicarilla Apache Tribal Council, on behalf of the Jicarilla Apache Tribe of Indians, as Lessor, and The Carter Oil Company, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 25 North, Range 4 West, N.M.P.M.

Section 13: S 1/2, NW 1/4

Section 23: E 1/2

Section 24: N 1/2, SW 1/4,

containing 1,280 acres, more or less, and insofar only as said lease covers rights from the surface down to and including the Mesaverde Formation in and under said land.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20442

Oil and Gas Mining Lease (Jicarilla Tribal Contract No. 125), dated April 24, 1953, by and between Frank Vigil, Chairman of the Jicarilla Apache Tribal Council, on behalf of the Jicarilla Apache Tribe of Indians, as Lessor, and The Carter Oil Company, as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 25 North, Range 4 West, N.M.P.M.

Section 25: S 1/2, NW 1/4
Section 26: SE 1/4, NW 1/4
Section 35: N 1/2, SE 1/4
Section 36: SE 1/4, NW 1/4,

containing 1,600 acres, more or less, and insofar only as said lease covers rights from the surface down to and including the Mesaverde Formation in and under said land.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20443

Oil and as Mining Lease - Tribal Indian Lands dated December 4, 1953 between Jicarilla Apache Tribe of Indians (Contract No. 151 as Lessor, and Humble Oil and Refining Company as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 5 West, N.M.P.M.

Section 4: W 1/2

Section 9: W 1/2, SE 1/4

Section 10: W 1/2

containing 1120 acres, more or less, said lease being recorded in Book 84, Page 545, Records of Rio Arriba County, New Mexico.

The foregoing lease being subject to:

23356 (1) Operating Agreement dated August 28, 1972 for Mesaverde formation only.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20446-a

Oil, Gas and Mineral Lease dated April 25, 1958, by and between E. F. Selby and wife, Thelma R. Selby, as Lessors, and Mildred A. Wright, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 21: W 3/4 of NE 1/4 SE 1/4

containing 28 acres, more or less, said lease being recorded in Book 373, Page 117, Records of said San Juan County.

The foregoing lease being subject to:

- 23168
- (1) Pooling Agreement dated June 1, 1960, executed by Aztec Oil & Gas Company et al, recorded in Book 465, Page 19, Records of said San Juan County.
 - (2) Operating Agreement dated June 1, 1960, by and between Aztec Oil & Gas Company, Operator, and Pan American Petroleum Corporation, Non-Operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20446-b

Oil, Gas and Mineral lease dated May 24, 1960, by and between Josephine M. Masden, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 21: W 3/4 of NE 1/4 SE 1/4,

containing 28 acres, more or less, being recorded in Book 478, Page 180, Records of said San Juan County.

The foregoing lease being subject to:

- 23168
- (1) Pooling Agreement dated June 1, 1960, executed by Aztec Oil & Gas Company et al, recorded in Book 465, Page 19, Records of said San Juan County.
 - (2) Operating Agreement dated June 1, 1960, by and between Aztec Oil & Gas Company, Operator, and Pan American Petroleum Corporation, Non-Operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20447

Oil and Gas Lease dated September 1, 1950 between the United States of America as Lessor, and Carl A. Schwerdtfeger as Lessee, SF-08032, insofar as said lease covers the following described land in San Juan County, New Mexico:

Township 27 North, Range 11 West, N.M.P.M.

Section 5: SW 1/4

Section 8: SW 1/4

Section 28: NW 1/4

containing 480 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23187 (1) Communitization Agreement dated December 1, 1960 for Section 8, SW 1/4 for Dakota Formation.
- (2) Operating Agreement dated December 1, 1960 between The Frontier Refining Company, operator, and Aztec Oil & Gas Company, non-operator for the Dakota Formation.
- 23191 (4) Communitization Agreement dated January 1, 1961 for Dakota Formation.
- (5) Operating Agreement dated January 1, 1961 between The Frontier Refining Company, operator, and Aztec Oil & Gas Company, non-operator for the Dakota Formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20449

Renewal Oil and Gas Lease dated January 1, 1976, SF-044535, between United States of America as Lessor, and Southern Union Production Company as Lessee, in the following described land in San Juan County, New Mexico, insofar as the lease covers the Dakota Formation only:

Township 28 North, Range 11 West, N.M.P.M.
Section 14: E 1/2 NW 1/4 and W 1/2 NE 1/4

containing 160 acres, more or less, said lease being recorded in Book
 , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23206 (1) Communitization Agreement dated April 12, 1961 for Dakota
 Formation, recorded Book 495, Page 140, Records of San
 Juan County, New Mexico.

STATE OF New Mexico
COUNTY OF San Juan

SRC # 20451

Oil, Gas and Mineral Lease dated January 16, 1961 between Martin L. Banks as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 18: NE 1/4 NE 1/4 NE 1/4 (part), described as follows:

To arrive at a point of beginning, start at the Northeast corner of said Section 18 and run:

Thence South 30 feet;

Thence South 1° 14' East 637.95 feet,

Thence South 89° 48' West 22.50 feet to the Southeast corner of the tract hereby described and the real point of beginning for this description and run:

Thence South 89° 48' West 335.5 feet to the Southwest corner of the Tract,

Thence North 1° 14' West 129.2 feet to the Northwest corner of the tract, a point on the South line of the Right-of-way of U.S. Highway No. 550 (new), thence Northeasterly along the South line of said right-of-way on a curve to the left, having a radius of 2864.79 feet, for a distance of 87.1 feet, thence North 89° 50' East 248.0 feet to the Northeast corner of the tract, Thence South 1° 14' East 126.50 feet to the Real point of beginning,

containing .98 acres, more or less, said lease being recorded in Book 473 , Page 133 , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124, of the Records of said County and State.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20452

Oil, Gas and Mineral Lease dated May 4, 1959 between Troy H. King et al as Lessors, and J. L. Davis as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 18:

The West 1/2 of the NE 1/4 of the NE 1/4, the NW 1/4 of the NE 1/4, the N 1/2 of the SW 1/4 of the NE 1/4, and that part of the NW 1/4 described as follows: BEGINNING at the Northeast corner of the said NW 1/4; thence South 160 rods; thence West 70 rods; thence Northeasterly to a point 40 rods west of the Northeast corner of the said NW 1/4, thence East 40 rods to the point of beginning,

EXCEPTING THEREFROM the following tracts:

Tract 1: That part of the NW 1/4 NE 1/4 of Section 18, described as follows: BEGINNING at a point which is South 30.0 feet from the NW corner of the NE 1/4 NE 1/4 of Section 18; thence South 0'07' East 195.80 feet; thence Northwesterly 461.13 feet along an arc of 2864.79 foot radius curve to the right; thence North 89° 53' East 417.50 feet to the place of beginning, containing 0.94 acres, more or less.

Tract 2: That part of the NE 1/4 of the NE 1/4 of Section 18, described as follows: BEGINNING at a point which is South 30.0 feet from the NW corner of the NE 1/4 NE 1/4 of Section 18; thence North 89° 53' East 60.0 feet; thence South 0° 07' East 217.60 feet, thence Northwesterly 63.83 feet along an arc of 2864.70 foot radius curve to the right; thence North 0° 07' West 195.80 feet to the point of beginning, containing 0.29 acres, more or less.

Tract 3: Beginning at a point which is South 30.0 feet, thence South 89° 53' West 662.97 feet, thence South 1° 25' East 499.0 feet from the NE corner of Section 18, Township 29 North, Range 13 West, N.M.P.M., and is a point in the South right-of-way line of U.S. Highway 550 (new, thence South 1° 25' East 800 feet, more or less, to the South line of the NE 1/4 NE 1/4 of said Section 18, thence South 89° 42' West 300.0 feet along said South line of NE 1/4 NE 1/4, thence 1° 25' West 843.8 feet, more or less, to the said South right-of-way line of said Highway, thence Southeasterly on a curve to the left on a radius, 2864.79 feet a distance of 304.2 feet to point of beginning, containing 5.66 acres, more or less, in NE 1/4 of NE 1/4 of said Section 18.

Tract 4: That Part of the NE 1/4 NE 1/4 of Section 18 in Township 29 North, Range 13 West, N.M.P.M., more particularly described as follows, to-wit: BEGINNING at a point which point is South 89° 53' West 662.97 feet, thence South 0° 07' East 30.0 feet form the NE corner of the NE 1/4 NE 1/4 of said Section 18; thence South 0° 59' East 350.25 feet; thence North 81° 35' West 150.90 feet; thence North 76° 44' West 45.54 feet; thence North 1° 03' West 317.37 feet; thence North 89° 53' East 193.38 feet to the point of beginning, containing 1.49 acres, more or less.

Tract 5: Beginning at a point which point is South 30.0 feet, thence North 89° 53' East 60.0 feet from the NW corner NE 1/4 NE 1/4, Section 18, Township 29 North, Range 13 West, N.M.P.M. thence North 89° 53' East 90.0 feet, thence South 0° 07' East 253.54 feet, thence Northwesterly 96.92 feet along an arc of 2864.79 foot radius curve to the right, thence North 0° 07' West 217.60 feet to the point of beginning, containing 0.49 acres, more or less, all in the NE 1/4 NE 1/4.

Tract 6: Beginning at a point which point is South 30.0 feet, thence North 89° 53' East 60.0 feet from the NW corner NE 1/4 NE 1/4, Section 18, Township 29 North, Range 13 West, N.M.P.M. thence North 89° 53' East 90.0 feet, thence South 0° 07' East 253.54 feet, thence Northwesterly 96.92 feet along an arc of 2864.79 foot radius curve to the right, thence North 0° 07' West 217.60 feet to the point of beginning, containing 0.49 acres, more or less, all in the NE 1/4 NE 1/4, Section 18, Township 29 North, Range 13 West, N.M.P.M.

For all formations below the base of the Pictured Cliffs formation.

Containing 124.63 acres, more or less, said lease being recorded in Book 420, Page 17, Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- 23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed in Book 488, Page 124, of the Records of said County and State.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20453

Oil, Gas and Mineral Lease dated May 4, 1959 between Jesse A. May et al as Lessors, and J. L. Davis, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

A tract of land containing 17.92 acres, more or less, in the N 1/2 SE 1/4 NE 1/4 of Section 18, Township 29 North, Range 13 West, N.M.P.M., more particularly described as follows:

Beginning at a point which is the Northeast Corner SE 1/4 NE 1/4 of Section 18, thence South 431.45 feet, thence South 27 degrees 37' West 84.4 feet, thence South 38 degrees 09' West 29.9 feet, thence South 51 degrees 46' West 74.7 feet, thence South 74 degrees 49' West 68.27 feet, thence North 88 degrees 54' West 1138.04 feet, thence North 600 feet, thence South 88 degrees 47' East 1320.7 feet to the point of beginning.

Limited to formations below the base of the Pictured Cliffs formation.

containing 18 acres, more or less, said lease being recorded in Book 420, Page 21, Records of San Juan County, New Mexico;

The foregoing lease being subject to;

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124, of the Records of Said County and State.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20454

Oil, Gas and Mineral Lease dated May 4, 1959 between E. A. Roberts et al, as Lessor, and J. L. Davis as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 18: The SE 1/4 of NE 1/4 of Section 18, less the North 17.92 acres, leaving a total of 22 acres more or less.

The said North 17.92 acres being more particularly described as follows:

BEGINNING at a point which is the Northeast Corner SE 1/4 NE 1/4 of Section 18, Township 29 North, Range 13 West, thence South 431.45 feet, thence South 27 degrees 37' West 84.4 feet, thence South 38 degrees 09' West 29.9 feet, thence South 51 degrees 46' West 74.7 feet, thence South 74 degrees 49' West 68.27 feet, thence North 88 degrees 54' West 1138.04 feet, thence North 600 feet, thence South 88 degrees 47' East 1320.7 feet to the point of beginning.

Limited to formations below the base of the Pictured Cliffs formation.

containing 22.08 acres, more or less, said lease being recorded in Book 420, Page 19, Records of San Juan County, New Mexico.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for the Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20455-a

Oil, Gas and Mineral Lease executed September 30, 1958 by Neva Gladys Harris et al, as Lessor, and Basin Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: NE 1/4 SE 1/4

Limited to formations below the base of the Pictured Cliffs formation but excluding therefrom the Gallup formation.

containing 40 acres, more or less, said lease being recorded in Book 388, Page 174, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20455-b

Oil and Gas Mineral Lease dated October 20, 1960 between Albert A. Harris et al, as Lessor and Ted M. White as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: NE 1/4 SE 1/4

Limited to formations below the base of the Pictured Cliffs formation but excluding therefrom the Gallup formation,

containing 40 acres, more or less, said lease being recorded in Book 465, Page 162, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20456

Oil, Gas and Mineral Lease dated March 10, 1961 between Apache Oil Company, Inc., of New Mexico, as Lessor and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Beginning at a point which point is South 30.0 feet and thence S 89° 53' W 120.26 feet from the NE corner of the NW 1/4 NE 1/4 of Section 18,

thence S 89° 53' West 79.74 feet;

thence S 0° 07' E 119.5 feet to the north right-of-way line of U.S. Highway 550 (new);

thence Southeasterly along said right-of-way line a distance of 82.05 feet;

thence N 0° 07' W 138.10 feet to the point of beginning.

containing .23 acres, more or less, said lease being recorded in Book 482, Page 187, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed in Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20457

Oil and Gas Mining Leases dated November 28, 1958 between Siddy Carten Smith and Agnes C. Eaton, as Lessors, and Ted M. White as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 18: NE 1/4 SW 1/4, S 1/2 SE 1/4, NW 1/4 SE 1/4

Section 20: NE 1/4 SE 1/4, SE 1/4 NE 1/4, E 1/2 NW 1/4

Limited to formations below the base of the Pictured Cliffs formation.

containing 320 acres, more or less, said leases being recorded in Book 397, Pages 28 and 29, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20458

Oil, Gas and Mineral Lease dated May 4, 1959 between Norman A. King et ux, as Lessor, and New Mexico-San Juan Natural Gas Company as Lessee, covering the following land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: S 1/2 SW 1/4 NE 1/4

Limited to formations below the base of the Pictured Cliffs formation.

containing 20 acres, more or less, said lease being recorded in Book 447, Page 159, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20461-01

Oil and Gas Lease dated October 27, 1960 between Thomas T. Davis et ux, as Lessor, and Wesley B. Blankenship as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: SE 1/4 NE 1/4 NE 1/4

Limited to formations below the base of the Pictured Cliffs formation.

containing 10 acres, more or less, said lease being recorded in Book 465, Page 281, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20461-02

Oil and Gas Lease dated August 8, 1960 between Lester Nichols, et ux, as Lessor, and Wesley B. Blankenship as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: SE 1/4 NE 1/4 NE /14

Limited to formations below the base of the Pictured Cliffs formation.

containing 10 acres, more or less, said lease being recorded in Book 460, Page 124.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20462

Oil, Gas and Mineral Lease dated August 17, 1960 between Breck F. Roberts, et ux, as Lessor, and Wesley B. Blankenship as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: NE 1/4 NE 1/4 (part)

Beginning at a point which is South 30.0 feet; thence South 89° 53' West 662.97 feet, thence South 1° 25' East 499.0 feet from the Northeast corner of Section 18, Township 29 North, Range 13 West, N.M.P.M., and is a point in the South right-of-way line of the U.S. Highway 550 (new) thence South 1° 25' East 800 feet, more or less, to the South line of the NE 1/4 of NE 1/4 of said Section 18, thence South 89° 42' West 300.0 feet along said line of NE 1/4 NE 1/4, thence 1° 25' West 843.8 feet, more or less, to the said South right-of-way line of said Highway, thence Southeasterly on a curve to the left on a radius, of 2864.79 feet a distance of 304.2 feet to point of beginning, containing 5.66 acres, more or less, said lease being recorded in Book 460, Page 109, Records of San Juan County, New Mexico;

Limited to formations below the base of the Pictured Cliffs formation.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20463

Oil and Gas Lease dated August 9, 1960, between Frank A. Ladwig, et ux, as Lessors, and Wesley B. Blankenship as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.:

Beginning at a point which point is South 30.0 feet; thence North 89° 53' East 60.0 feet, from the NW corner of the NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 18; thence North 89° 53' East 90.0 feet; thence South 0° 07' East 253.57 feet; thence Northwesterly 96.92 feet along an arc of 2864.70 foot radius curve to the right; thence North 0° 07' West 217.60 feet to the point of beginning, containing .49 acres, more or less, said lease being recorded in Book 460, Page 90, Records of San Juan County, New Mexico;

Limited to formations below the base of the Pictured Cliffs formation.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for the Dakota formation, filed Book 448, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20464

Oil and Gas Lease dated October 6, 1960 between Schlumberger Well Surveying Corporation as Lessor, and Wesley B. Blankenship as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 18: NE 1/4 NE 1/4 (part)

That part of the NE 1/4 NE 1/4 of Section 18, Township 29 North, Range 13 West, N.M.P.M. more particularly described as follows to wit: BEGINNING at a point which point is South 89° 53' West 662.97 feet; thence South 0°07' East 30.0 feet from the Northeast corner of the NE 1/4 NE 1/4 of said Section 18; thence South 0°59' East 350.25 feet; thence North 81°35' West 150.90 feet; thence North 76°44' West 45.54 feet; thence North 1°03' West 317.37 feet; thence North 89°53' East 193.38 feet to the point of beginning, containing 1.49 acres, more or less, said lease being recorded in Book 465, Page 182, Records of San Juan County, New Mexico;

Limited to formations below the base of the Pictured Cliffs Formation.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for the Dakota Formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20465

Oil, Gas and Mineral Lease dated August 30, 1960 between P. & A, Inc., as Lessor, and Wesley B. Blankenship as Lessee, covering the following described land situated in San Juan County, New Mexico:

That part of the N 1/2 NE 1/4 of Section 18, T-29-N, R-13-W, N.M.P.M., described as follows:
BEGINNING at a point which is South 30.0 feet from the Northwest corner of the NE 1/4 NE 1/4 of said Section 18;
THENCE North 89° 53' East 60 feet;
THENCE South 0° 07' East 217.60 feet;
THENCE Northwesterly 63.83 feet along an arc of 2864.79 foot radius to the right;
THENCE North 0° 07' West 195.8 feet to the point of beginning, containing .29 acres, more or less, said lease being recorded in Book 460, Page 275, Records of San Juan County, New Mexico;

Limited to formations below the base of the Pictured Cliffs formation.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for the Dakota Formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20466

Oil, Gas and Mineral Lease dated August 4, 1960 between R.M. Gooding AKA Robert M. Gooding et ux, as Lessors, and Wesley B. Blankenship as Lessee, insofar as lease covers rights below the Pictured Cliffs Formation in the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 18: NE 1/4 NE 1/4 NE 1/4 lying North of the South boundary of all that portion of the Highway 550 (new), containing 8.65 acres, more or less, recorded in Book 465, Page 308, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota Formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20467

Oil, Gas and Mineral Lease dated August 5, 1960, by and between Bob G. Williams and wife, Florence R. Williams, as Lessors, and Wesley B. Blankenship, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.

Section 18: Beginning at a point which is South 30 feet; thence South $1^{\circ} 14'$ E 637.95 feet, thence South $89^{\circ} 48'$ West 458 feet from the Northeast corner of Section 18; thence South $89^{\circ} 48'$ West 200 feet; thence North $1^{\circ} 25'$ West 140 feet to the South right-of-way line of new U.S. Highway 550; thence Southeasterly along said right-of-way line of a curve to the left having a radius of 2964.79 feet, 200 feet; thence South $1^{\circ} 25'$ East 127 feet to the point of beginning and containing 0.56 acres, more or less;

insofar and only insofar as said lease covers those formations lying below the Pictured Cliffs formation, said lease being recorded in Book 460, Page 81, Records of said San Juan County.

The foregoing lease being subject to:

23214 (1) Designation of Pooled Unit dated June 21, 1961, executed by Aztec Oil & Gas Company, recorded in Book 488, Page 124, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20468

Oil, Gas and Mineral Lease dated August 5, 1960 between Winfred Claire Andrews, et al, as Lessor, and Wesley B. Blankenship, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Beginning at a point which point is South 30 feet; thence South 1°14' East 637.95; thence South 89°48' West 22.50 feet from the NE corner of Section 18, Township 29 North, Range 13 West, N.M.P.M., thence South 89°48' West 635.50 feet; thence North 1°25' West 140 feet to the South right-of-way line of U.S. Highway 550 (new); thence Southeasterly along said right-of-way line of a curve to the left having a radius of 2864.79 feet a distance of 388 feet; thence North 89°50' East 248 feet; thence South 14' East 126.50 feet to the point of beginning; containing 1.90 acres, more or less, all in the NE/4 NE/4 NE/4 of said Section 18, said lease being recorded in Book 460, Page 80, Records of San Juan County, New Mexico;

Limited to formations below the base of the Pictured Cliffs Formation.

The foregoing lease subject to:

23214 (1) Communitization Agreement dated June 21, 1961, for Dakota Formation, filed in Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20469

Oil and Gas Lease dated March 10, 1961 between J. J. DeWeerd et ux, as Lessors, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Beginning at a point which is South 30 feet and S 89° 53'W
417.5 feet from the Northeast corner of the NW 1/4 NE 1/4 of
Section 18, T-29-N, R-13-W, N.M.P.M.;
thence N89° 53'E 217.5 feet
thence S 0° 07'E 119.5 feet
thence Northwesterly along the North right-of-way line of
U.S. Highway 550 (new) for a distance of 289.11 feet, more or
less, to the point to beginning, containing .29 acres, more or
less, said lease being recorded in Book 482, Page 186, Records
of San Juan County, New Mexico;

Limited to formations below the base of the Pictured Cliffs
Formation.

The foregoing lease being subject to:

23214 (1) Communitization Agreement dated June 21, 1961 for Dakota
Formation, filed Book 488, Page 124.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20470

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial S.F. 078354) dated May 1, 1948 between United States of America as Lessor, and H. K. Riddle as Lessee, insofar as said lease covers the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.

Section 8: NE 1/4 NW 1/4 below Pictured Cliffs formation

containing 40 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23181
- (1) Communitization Agreement dated March 28, 1961 for Dakota formation, filed Book 486, Page 123.
 - (2) Communitization Agreement dated September 10, 1971 for Mesaverde formation.
 - (3) Operating Agreement dated March 28, 1961 between Aztec Oil & Gas Company, operator, and Petro-Atlas, Inc., non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20471

Lease of Oil and Gas lands under the Act of February 25, 1920 as amended (Serial NM 05941-A) dated September 1, 1951 between United States of America as Lessor, and Tom Bolack as Lessee, insofar as said lease covers the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.
Section 8: S 1/2 NW 1/4 (Below Pictured Cliffs formation)

containing 80 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The forgoing lease being subject to:

- 23181
- (1) Communitization Agreement dated March 28, 1961 for Dakota formation, filed Book 486, Page 123.
 - (2) Communitization Agreement dated September 10, 1971 for Mesaverde formation.
 - (3) Operating Agreement dated March 28, 1961 between Aztec Oil & Gas Company, operator, and Petro-Atlas Inc., non-operator for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20472

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial S.F. 077874) dated April 1, 1948 between the United States of America, as Lessor, and Dorothy L. Hanks, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.

Section 8: NW 1/4 NW 1/4 (Below Pictured Cliffs formation)

containing 40 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23181
- (1) Communitization Agreement dated March 28, 1961 for Dakota formation, filed Book 486, Page 123.
 - (2) Communitization Agreement dated September 10, 1971 for Mesaverde formation.
 - (3) Operating Agreement dated March 28, 1961 between Aztec Oil and Gas Company, operator, and Petro-Atlas Inc., non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20474

Oil and Gas Lease (Serial NM 020982) dated November 1, 1971, by and between the United States of America, as Lessor, and Southern Union Production Company, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.

Section 28: S 1/2 S 1/2

Section 29: W 1/2 NE 1/4 and SE 1/4 SE 1/4

containing 280 acres, more or less, and insofar and only insofar as said lease covers the Dakota formation in and under said land.

The foregoing lease being subject to:

- 23220 (1) Communitization Agreement dated July 31, 1961, executed by Aztec Oil & Gas Company et al, recorded in Book 505, Page 186, Records of said San Juan County.
- (2) Operating Agreement dated March 10, 1980, by and between Southland Royalty Company, operator, and Supron Energy Corporation, non-operator.
- 23221 (3) Communitization Agreement dated July 25, 1961, executed by Aztec Oil & Gas Company et al, recorded in Book 505, Page 32, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20477

Oil and Gas Lease (#14881) dated July 14, 1961 between the Denver and Rio Grande Western Railroad Company as Lessor, and Five States Petroleum Company et al, as Lessees, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.

Section 29: 4.31 acres more particularly described as:
All of the 100-foot wide right of way of the Lessor's Farmington Branch, being 50 feet wide on each side of the centerline of the main track of said Branch, as said track is presently constructed and operated over and across the east half of the southeast quarter of Section 29, Township 30 North, Range 12 West, New Mexico Principal Meridian, containing 4.31 acres, more or less, and traversing a distance of about 0.35 mile along the centerline of said track, NO F-154,

containing 4.31 acres, more or less, said lease being recorded in Book 503, Page 30, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

23243 (1) Communitization Agreement dated December 1, 1961 for the Pictured Cliffs formation, filed in Book 543, Page 73.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20479-01

Oil, Gas and Mineral Lease dated April 15, 1958 by and between T. R. Knowles, as Lessor, and N. Spatter, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SE 1/4 NE 1/4

containing 40 acres, more or less, insofar and only insofar as said lease covers the Dakota formation in and under said land, said lease being recorded in Book 367, Page 45, Records of said San Juan County.

The foregoing lease being subject to:

- 23224
- (1) Communitization Agreement dated December 22, 1961 executed by Aztec Oil & Gas Company et al, recorded in Book 522, Page 110, Records of said San Juan County.
 - (2) Operating Agreement dated December 22, 1961, by and between Aztec Oil & Gas Company, Operator, and Rodney P. Calvin, Non-Operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20479-02

Oil, Gas and Mineral Lease dated April 15, 1958, by and between Sylvia Sher and husband, Sydney Sher, as Lessors, and N. Spatter, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SE 1/4 NE 1/4

containing 40 acres, more or less, insofar and only insofar as said lease covers the Dakota formation in and under said land, said lease being recorded in Book 367, Page 97, Records of said San Juan County.

The foregoing lease being subject to:

- 23224
- (1) Communitization Agreement dated December 22, 1961, executed by Aztec Oil & Gas Company et al, recorded in Book 522, Page 110, Records of said San Juan County.
 - (2) Operating Agreement dated December 22, 1961, by and between Aztec Oil & Gas Company, operator, and Rodney P. Calvin, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20480

Oil, Gas and Mineral lease dated November 29, 1956, by and between Thomas B. Miller and wife Beulah Miller as Lessors, and Rodney P. Calvin, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 20: S 1/2 NE 1/4 NE 1/4

containing 20 acres, more or less, insofar and only insofar as said lease covers the Dakota formation in and under said land, said lease being recorded in Book 367, Page 105, Records of said San Juan County.

The foregoing lease being subject to:

- 23224 (1) Communitization Agreement dated December 22, 1961 executed by Aztec Oil & Gas Company, recorded in Book 522, page 110, Records of said San Juan County.
- (2) Operating Agreement dated December 22, 1961, by and between Aztec Oil & Gas Company, Operator, and Rodney P. Calvin, Non-Operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20486

Oil and Gas Lease (Serial N.M. 0468128) dated October 1, 1949 between United States of America as Lessor, and L. N. Haygood as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 13 West, N.M.P.M.
Section 21: S 1/2 SW 1/4, SW 1/4 SE 1/4
Section 34: All

Less all rights to the Gallup formation assigned to Paramount Petroleum Corporation August 1, 1980.

containing 760 acres, more or less, said lease being recorded in Book Page , Records of San Juan County, New Mexico.

The foregoing lease being subject to:

- 23159 (1) Communitization Agreement dated October 3, 1962 for the Dakota formation.
- (2) Operating Agreement dated October 3, 1962 for the Dakota formation, Tenneco Corporation as Operator, John R. Redfern et al, non-operators, amended October 3, 1962 and January 1, 1980.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20487

Lease of Oil and Gas Lands (Serial Santa Fe 078717) dated as of November 1, 1946, between the United States of America, as Lessor, and Mrs. Bertha M. Houck, as Lessee, insofar as said lease covers and affects the following land situated in San Juan County, New Mexico:

Township 29 North, Range 10 West, N.M.P.M.
Section 6: SE 1/4 SW 1/4

containing 40 acres, more or less.

The foregoing lease being subject to:

- 23244 (1) Communitization Agreement dated May 27, 1966, executed by Aztec Oil & Gas Company et al, recorded in Book 651, Page 158, Records of said San Juan County.
- (2) Operating Agreement dated May 27, 1966, by and between Aztec Oil & Gas Company, Operator, and Dixie Marie McLane and Lewis Chandler, non-operators.
- 23309 (3) Communitization Agreement dated November 1, 1968, executed by Aztec Oil & Gas Company, recorded in Book 673, Page 115, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20488

Oil and Gas Lease (Serial NM 0553184) made and entered into as of May 1, 1964, by and between the United States of America, lessor, and Aztec Oil & Gas Company, lessee, insofar as said lease covers and includes rights below the base of the Pictured Cliffs formation in and under the following described land in San Juan County, New Mexico:

Township 27 North, Range 13 West, N.M.P.M.
Section 31: Lots 1, 2, 3, 4, 5, 6, NE/4
Section 32: SW/4, W/2 SE/4, NE/4 SE/4
Section 33: All

containing 1266.07 acres, more or less, said lease being recorded in Book , Page , of the Records of said San Juan County.

Subject to the following:

- (a) Communitization Agreement dated April 1, 1978, covering the Pictured Cliffs formation only.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20493

Oil and Gas Lease (Serial NM 0558139), dated as of December 1, 1965, by and between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 5 West, N.M.P.M.
Section 4: Lots 1, 2, S 1/2 NE 1/4, SE 1/4

containing 322.08 acres, more or less, said lease being recorded in Book 89, Page 284, Records of said Rio Arriba County.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20494

Oil and Gas Lease (Serial NM 0558140), dated as of December 1, 1965, by and between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 5 West, N.M.P.M.

Section 10: W 1/2, SE 1/4

Section 15: W 1/2 NE 1/4, SE 1/4 NE 1/4

containing 600 acres, more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20495

Oil and Gas Lease (Serial NM 0558142), dated as of December 1, 1965, by and between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 34: W 1/2

containing 320 acres, more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20496

Oil and Gas Lease (Serial NM 0558144), dated as of December 1, 1965, by and between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.
Section 21: All

containing 640 acres, more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20497

Oil and Gas Lease (S.F. 065557) dated December 31, 1938 between the United States of America as Lessor, and Dudley Cornell as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.

Section 11: E 1/2

Section 13: N 1/2 N 1/2

From the base of the Mesaverde formation to a depth of 100 feet into the Morrison formation,

containing 480 acres, more or less, said lease being recorded in Book 99, Page 224, Records of San Juan County, New Mexico; such lease is subject to:

- (1) Operating Agreement (Dakota formation) dated April 17, 1967 between Aztec Oil & Gas Company, operator, and Producing Royalties, Inc., non-operator, affecting E $\frac{1}{2}$ Section 11.
- (2) Operating Agreement (Dakota formation) dated April 17, 1967 between Aztec Oil & Gas Company, operator and Producing Royalties, Inc., non-operator, affecting N $\frac{1}{2}$ Section 13.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20500

Oil and Gas Lease (K-5737), dated February 15, 1966, by and between the State of New Mexico, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.

Section 32: All

containing 640 acres, more or less, said lease being recorded in Book 882, Page 336, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20511

Oil and Gas Lease (K-5808), dated March 15, 1966, by and between the State of New Mexico, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.
Section 36: All

containing 640 acres, more or less.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20542

Oil and Gas Lease (Serial NM 0560415), dated as of August 1, 1966, by and between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 27 North, Range 4 West, N.M.P.M.
Section 12: All

containing 640 acres, more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20543

Oil and Gas Lease (Serial NM 0560425), dated as of August 1, 1966, by and between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 26 North, Range 11 West, N.M.P.M.

Section 11: E 1/2

Section 12: NW 1/4

containing 480 acres, more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20564

Oil and Gas Lease dated December 20, 1966 between State of New Mexico (K-6617) as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 26 North, Range 8 West, N.M.P.M.
Section 36: SW 1/4

containing 160 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC #20592

Oil and Gas Lease (Serial NM 2991) dated September 1, 1967 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 5 West, N.M.P.M.

Section 1: Lots 1, 2, 3, 4, 5, 6 and 7,
SW 1/4 NE 1/4, S 1/2 NW 1/4, SW 1/4,
W 1/2 SE 1/4.

containing 555.72 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba C ounty, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20593

Oil and Gas Lease (Serial NM 2995) dated September 1, 1967 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 7 West, N.M.P.M.

Section 21: W 1/2 NW 1/4

Section 16: S 1/2 NW 1/4, S 1/2

containing 480 acres, more or less, said lease being recorded in Book Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Communitization Agreement dated October 1, 1976 for Mesaverde formation only.
- (2) Operating Agreement dated October 1, 1976, Northwest Pipeline, Operator for Mesaverde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20594

Oil and Gas Lease (Serial NM 2996) dated September 1, 1967, between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 7 West, N.M.P.M.
Section 25: S $\frac{1}{2}$

containing 320 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20612

Oil and Gas Lease (Serial No. NM 4447) dated April 1, 1968 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 26 North, Range 2 West, N.M.P.M.

Section 16: All, (Save and except all rights above a depth of 6,114 feet below the surface of the earth as to the W/2 of said Section 16), and together with an overriding royalty of 1/16 of 8/8 of all oil, gas and other hydrocarbons as reserved in assignment dated January 12, 1972, from Aztec Oil & Gas Company, as Assignor, to Albert J. Blair, as Assignee, covering the W/2 of said Section 16, said assignment being recorded Book , Page Records of Rio Arriba County, New Mexico.

containing 640 acres more or less.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20615

Oil and Gas Lease (Serial NM 4453) dated April 1, 1968, between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 5 West, N.M.P.M.

Section 1: Lots 5, 6, 7, 8, 9, 10, 11, S $\frac{1}{2}$ NW $\frac{1}{4}$,
SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$

containing 535.48 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20616

Oil and Gas Lease (Serial NM 4454) dated April 1, 1948, between the United States of America, as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 5 West, N.M.P.M.
Section 2: All

containing .637.72 acres, more or less, said lease being recorded in Book 78, Page 10, Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

- (1) Assignment of all leasehold interest to Lone Star Industries, Inc., in the E 1/2 of said Section 2 to the base of the Dakota formation, but retaining an overriding royalty of 12.5%.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC #20618

Oil and Gas Lease (Serial NM 4456) dated April 1, 1968 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 30 North, Range 5 West, N.M.P.M.
Section 4: Lots 5, 6, 7, 8, S $\frac{1}{2}$ N $\frac{1}{2}$, SW $\frac{1}{4}$,
N $\frac{1}{2}$ SE $\frac{1}{4}$

containing 558.76 acres, more or less, said lease being recorded in Book ,
Page , Records of Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20620

Oil and Gas Lease (Serial NM 4461) dated April 1, 1968 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 32 North, Range 5 West, N.M.P.M.
Section 29: All

containing 640 acres, more or less, said lease being recorded in Book 90, Page 685, Records of Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20633

Oil and Gas Lease (Serial NM 6889) dated August 1, 1968 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.
Section 10: Lots 5 through 16.

containing 387.95 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23360 (1) Communitization Agreement dated June 1, 1973 for
Dakota formation.
- (2) Communitization Agreement dated June 1, 1973 for
Mesaverde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20634

Oil and Gas Lease (NM 6890) dated August 1, 1968 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.

Section 11: Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16.

containing 397.30 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23359 (1) Communitization Agreement dated March 20, 1973 for Dakota Formation, filed Book 714, Page 116.
- (2) Communitization Agreement dated March 20, 1973 for Mesaverde formation, filed Book 714, Page 115.
- 23360 (3) Communitization Agreement dated June 1, 1973 for Dakota formation.
- (4) Communitization Agreement dated June 1, 1973 for Mesaverde formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20635

Oil and Gas Lease (Serial NM 6892) dated August 1, 1968, between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.
Section 13: All

containing 640 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20636

Oil and Gas Lease (Serial NM 6893) dated August 1, 1968 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.

Section 24: W 1/2

Section 25: W 1/2

containing 640 acres, more or less, said lease being recorded in Book 882, Page 238, Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20637

Oil and Gas Lease (Serial NM 6894) made and entered into as of August 1, 1968, by and between the United States of America, Lessor, and Aztec Oil & Gas Company, Lessee, insofar and only insofar as said lease covers rights from the depth of 6,418 feet below the surface to the base of the Dakota Formation in and under the following described land in San Juan County, New Mexico:

Township 32 North, Range 8 West
Section 26: S/2

containing 320 acres, more or less, said lease being recorded in Book
, Page , of the Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20640

Oil, Gas and Mineral Lease dated August 8, 1951, by and between Robert L. Maddox and wife, Emma H. Maddox, as Lessors, and William Hamm, Jr., as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 10: Lot 2, S 1/2 S 1/2
Section 14: W 1/2 SW 1/4, SE 1/4 SW 1/4
Section 15: N 1/2 NE 1/4

containing 403.87 acres, more or less, said lease being recorded in Book 169, Page 590, Records of said San Juan County.

The foregoing lease being subject to:

- (1) Designation of Pooled Unit dated August 23, 1978, executed by Southland Royalty Company et al, recorded in Book 840, Page 65, Records of said San Juan County.
- 23311 (2) Designation of Pooled Unit dated July 17, 1978, executed by Southland Royalty Company et al, recorded in Book 840, Page 66, Records of said San Juan County.
- (3) Designation of Pooled Unit for Gas dated February 10, 1953, executed by William Hamm, Jr., and wife Marie Hamm, recorded in Book 202, Page 11, Records of said San Juan County.
- (4) Joint Operating Agreement dated July 2, 1968 by and between Aztec Oil & Gas Company, operator, and V. F. Neuhaus et al, non-operators.
- 23312 (5) Operating Agreement dated July 1, 1979, by and between Northwest Pipeline Corporation, operator, and Southland Royalty Company et al, non-operators.
- 25228 (6) Operating Agreement dated July 1, 1979 by and between Northwest Pipeline Corporation, operator and Southland Royalty Company et al, non-operators, for Pictured Cliffs and Mesaverde formations.

STATE OF New Mexico

COUNTY OF San Juan

SRC #20641

Oil and Gas Lease (Serial No. S.F. 078119) dated February 1, 1948 between United States of America as Lessor, and Glover L. Suter as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.

Section 11: SE 1/4 SE 1/4

Section 15: SE 1/4 SE 1/4

containing 80 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Communitization Agreement dated July 24, 1978 for Pictured Cliffs formation.
- 23310 (2) Communitization Agreement dated October 1, 1953, recorded in Book 270, Page 33.
- (3) Communitization Agreement dated July 24, 1978 for Pictured Cliffs formation, recorded in Book , Page .
- 23313 (4) Communitization Agreement dated October 1, 1953 for Mesa-verde formation, filed Book 270, Page 32.
- (5) Operating Agreement dated July 2, 1968 Southland Royalty Company operator, and V. F. Neuhaus, et al, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20642

Oil, Gas and Mineral Lease dated July 28, 1951 between Mary F. Vasaly, a single woman as Lessor, and William Hamm, Jr., as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 31: Lots 2, 3, 4, and NE 1/4 SW 1/4

containing 160 acres, more or less, said lease being recorded in Book 170, Page 272, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23042 (1) Communitization Agreement dated January 1, 1952 between Pubco Development, Inc., et al down to and including Mesaverde formation, filed in Book 203, Page 135.
- 23307 (2) Communitization Agreement dated August 16, 1968 for Dakota formation only.
- (3) Joint Operating Agreement dated July 2, 1968 between Aztec Oil & Gas Company, operator, and V. F. Neuhaus, Cecil L. Lanier, Lee W. Kilgore and Pubco Petroleum Corporation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20643

Oil, Gas and Mineral Lease, New Mexico dated August 8, 1951 between Mark W. Maddox, et ux, as Lessor, and William Hamm, Jr., as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.

Section 14: SW 1/4 NW 1/4

Section 15: S 1/2 NE 1/4, N 1/2 SE 1/4, SW 1/4 SE 1/4

containing 240 acres, more or less, said lease being recorded in Book 169, Page 588, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Designation of Pooled Unit dated August 23, 1978, for Pictured Cliffs formation, filed in Book 840, Page 65.
- 23310 (2) Communitization Agreement for Pictured Cliffs formation dated July 24, 1978.
- (3) Communitization Agreement dated October 1, 1953 for Mesaverde formation, filed Book 270, Page 33.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20644

Oil and Gas Lease (No. B-11505-60) dated September 26, 1944 between State of New Mexico as Lessor, and Harry S. Wright as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 32: N 1/2

containing 320 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- (1) Joint Operating Agreement dated July 2, 1968, Aztec Oil & Gas Company, operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20645

Oil, Gas and Mineral Lease dated July 23, 1951 by and between Fred L. Lawson and wife, Grace P. Lawson as Lessors, and William Hamm, Jr., as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 31: NE 1/4 NE 1/4, S 1/2 NE 1/4, SE 1/4 NW 1/4

containing 160 acres, more or less, said lease being recorded in Book 167, Page 266, Records of said San Juan County.

The foregoing lease being subject to:

- 23032 (1) Communitization Agreement dated September 5, 1951, executed by William Hamm, Jr., et al, recorded in Book 203, Page 136, Records of said San Juan County.
- 23308 (2) Communitization Agreement dated August 20, 1968, executed by Aztec Oil & Gas Company et al, recorded in Book 685, Page 286, Records of said San Juan County.
- (3) Joint Operating Agreement dated July 2, 1968, by and between Aztec Oil & Gas Company, operator, and V. F. Neuhaus et al, non-operators, as amended by agreement dated October 15, 1968.
- 23307 (4) Communitization Agreement dated August 16, 1968, executed by Aztec Oil & Gas Company et al.
- 23042 (5) Communitization Agreement dated January 1, 1952, executed by Pubco Development et al, recorded Book 203, Page 135, Records of said San Juan County.
- (6) Joint Operating Agreement dated July 2, 1968 by and between Aztec Oil & Gas Company, operator, and V. F. Neuhaus et al, non-operators.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20646

Lease of Oil and Gas Lands (Serial S.F. 078119-B) dated as of February 1, 1948, between the United States of America, as Lessor, and Glover L. Suter, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.
Section 10: Lots 1 and 3

containing 87.76 acres, more or less.

The foregoing lease being subject to:

- 23312 (1) Operating Agreement dated July 1, 1979 by and between Northwest Pipeline Corporation, operator, and Southland Royalty Company, et al, non-operators.
- 25228 (2) Operating Agreement dated July 1, 1979 by and between Northwest Pipeline Corporation, operator and Southland Royalty Company et al, non-operators for Pictured Cliffs and Mesaverde formations.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20647

Oil, Gas and Mineral Lease New Mexico dated August 8, 1951 between Fay Massey Waller et al, as Lessor, and William Hamm, Jr., as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 11 West, N.M.P.M.

Section 11: Lots 1, 2, 3, 4, S 1/2 SW 1/4, SW 1/4 SE 1/4

Section 14: N 1/2 NW 1/4, SE 1/4 NW 1/4, NE 1/4 SW 1/4

containing 454 acres, more or less, said lease being recorded in Book 180, Page 56, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23311 (1) Designation of Pooled Unit for Section 14 for Pictured Cliffs formation, filed in Book 840, Page 66.
- (2) Designation of Pooled Unit for Mesaverde formation dated February 10, 1953, filed in Book 202, Page 11.
- 23313 (3) Joint Operating Agreement dated July 2, 1968, Southland Royalty Company, operator, and V. F. Neuhaus et al, non-operators.
- (4) Communitization Agreement dated October 1, 1953 for Mesaverde formation, filed Book 270, Page 32.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20648

Oil and Gas lease dated September 12, 1949 between Sarah Myers Hedges as Lessor, and Tom Bolack as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.

Section 23: NE 1/4, N 1/2 SE 1/4, SW 1/4 SE 1/4

Section 24: NW 1/4 NW 1/4

containing 320 acres, more or less, said lease being recorded in Book 139, Page 217, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Operating Agreement dated July 15, 1952 between Greenbriar Oil Company and Mendota Oil Company.
- 23323 (2) Communitization Agreement dated October 14, 1969 for Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20662

Oil and Gas Mining Lease - Tribal Indian Lands-dated March 5, 1969 between The Jicarilla Apache Tribe of Indians (Contract No. 416) as Lessor, and Aztec Oil & Gas Company as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 24 North, Range 4 West, N.M.P.M.

Section 25: All

Section 26: All

Section 35: All

Section 36: All

containing 2560 acres, more or less, said lease being recorded in Book 85, Page 686, Records of Rio Arriba County, New Mexico;

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20674

Oil and Gas Lease (Serial NM 9037) dated April 1, 1969 between United States of America as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 8 West, N.M.P.M.

Section 12: Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16

containing 421.32 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20703

Lease of Oil and Gas lands under the Act of February 25, 1920, as amended (Serial 080382A) dated September 1, 1950 between the United States of America, as Lessor, and Carl A.Schwerdtfeger, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 11 West, N.M.P.M.
Section 5: Lots 1, 2, 3, 4, S 1/2 N 1/2, SE 1/4
Section 16: W 1/2

containing 801.12 acres, more or less, said lease being recorded in Book , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23185
- (1) Communitization Agreement dated September 1, 1959 for Dakota formation, filed Book 450, Page 92.
 - (2) Operating Agreement dated September 1, 1959 between El Paso Natural Gas Products Company, operator, and Raymond Oil Company, et al, non-operator, for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20704

Oil and Gas Lease (S.F. 078872A) dated April 1, 1951 between United States of America as Lessor, and Alice S. Bolack as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 11 West, N.M.P.M.

Section 4: Lots 1, 2, 3, 4, S 1/2 N 1/2, SW 1/4

Section 9: All

containing 1121.76 acres, more or less, said lease being recorded in Book 397, Page 129, Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- 23329
- (1) Communitization Agreement, Frontier Pool Unit #1-E, dated May 19, 1960, between El Paso Natural Gas Products as operator and The Frontier Refining Company, The Oklahoma Oil Company and Skelly Oil and Gas Company, recorded in Book 454, Page 195.
 - (2) Operating Agreement dated March 4, 1958 between Aztec Oil & Gas Company, The Oklahoma Oil Company, et al, as amended.
 - (3) Operating Agreement dated November 1, 1969 between Husky Oil Company of Delaware and Aztec Oil & Gas Company.
 - (4) Operating Agreement dated July 25, 1960 between The Frontier Refining Company, The Oklahoma Oil Company, and El Paso Natural Gas Products Company, recorded in Book 465, Page 128 of said records.
 - (5) Operating Agreement dated September 1, 1954 between The Frontier Refining Company and The Oklahoma Oil Company, recorded in Book 301, Page 163 of said records.
 - (6) Operating Agreement dated May 19, 1960 between El Paso Natural Gas Products Company, The Frontier Refining Company, et al, relating to the Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20755

Oil and Gas Lease dated December 31, 1938 between United States of America as Lessor, and James J. Hudson as Lessee (S.F. 068990) insofar as said lease covers and affects the following described land in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 34: SW 1/4 SW 1/4 Dakota formation only

Section 35: E 1/2 W 1/2 Dakota & Mesaverde formations

containing 200 acres, more or less, said lease being recorded in Book
 , Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23227 (1) Communitization Agreement dated July 20, 1962 for
 Dakota formation, filed Book 564, Page 50.
- (2) Operating Agreement dated July 20, 1962 between Aztec
 Oil & Gas Company, operator and El Paso Natural Gas
 Company et al, non-operators for Dakota formation.
- 23251 (3) Communitization Agreement dated April 27, 1966 for the
 Mesaverde formation and the Dakota formation.
- (4) Operating Agreement dated April 27, 1966 between Aztec
 Oil & Gas Company, operator and El Paso Natural Gas
 Company et al, non-operators for Mesaverde formation and
 Dakota formation. Amended June 1, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20767

Lease for Oil and Gas (Serial NM 10431) dated October 1, 1969 between United States of America, as Lessor, and Claudia B. Guerrina, as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 4 West, N.M.P.M.

Section 1: Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, SW 1/4 NW 1/4, NW 1/4 SW 1/4, S 1/2 NE 1/4 SE 1/4, SE 1/4 SE 1/4.

Section 12: Lots 1, 2, NE 1/4, S 1/2 NW 1/4, S 1/2

Section 13: All

containing 1760.04 acres, more or less, said lease being recorded in Book 79, Pages 688-690, Records of Rio Arriba County, New Mexico - limited, however, as follows:

(a) As to the E/2, Section 12, limited to depths below 8672 feet below the surface; and

(b) As to:

Section 1: Lots 3, 4, 10, 11, 14, SW 1/4 NW 1/4, NW 1/4 SW 1/4

Section 13: W 1/2

limited to depths from the surface to 7750 feet below the surface, and to depths below 8672 feet below the surface.

Subject to the following:

- (1) A 2% of 8/8 overriding royalty interest reserved by Billie Robinson and L. Claude Roark in assignment to Aztec Oil & Gas Company dated September 29, 1970.
- (2) Farmout Agreement between Aztec Oil & Gas Company and Continental Oil Company dated August 15, 1973.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20773

Oil and Gas Lease (NM E292) dated May 2, 1945 between State of New Mexico as Lessor, and Levi A. Hughes as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 8 West, N.M.P.M.

Section 2: Lot 1 (42.01 acres), Lot 2 (41.82 acres)
Lot 4 (41.45 acres), S 1/2 NE 1/4

containing 205.58 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23345
- (1) Communitization Agreement dated January 18, 1971 for the Mesaverde formation.
 - (2) Gas Operating Agreement dated May 19, 1952, Francis L. Harvey, operator, down to and including the Mesaverde formation and amended September 12, 1978.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 20774

Oil and Gas Lease (E-5380) dated July 10, 1951 between State of New Mexico as Lessor and Pubco Development, Inc., insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 8 West, N.M.P.M.
Section 2: SE 1/4 NW 1/4

containing 40 acres, more or less, said lease being recorded in Book 167, Page 420, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 23345 (1) Communitization Agreement dated January 18, 1971 for the Mesaverde formation.
- (2) Gas Operating Agreement dated May 19, 1952 Francis L. Harvey, operator, down to and including Mesaverde formation and amended September 12, 1978.

STATE OF New Mexico

COUNTY OF Sandoval

SRC # 20802

Oil and Gas Mining Lease - Tribal Indian Lands dated August 16, 1971 between The Jicarilla Apache Tribe of Indians (Contract #443) as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Sandoval County, New Mexico:

Township 23 North, Range 2 West, N.M.P.M.

Section 25: All

Section 26: All

Section 35: All

Section 36: All

containing 2560 acres, more or less, said lease being recorded in Book
Page , Records of Sandoval County, New Mexico;

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20803

Oil and Gas Mining Lease - Tribal Indian Lands dated September 28, 1971 between The Jicarilla Apache Tribe of Indians (Contract #446) as Lessor, and Aztec Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 27 North, Range 3 West, N.M.P.M.

Section 7: All

Section 8: All

Section 17: All

containing 1359.20 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba County, New Mexico;

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20804

Oil and Gas Mining Lease dated August 16, 1971 between The Jicarilla Apache Tribe of Indians (Contract #447), as Lessor, and Aztec Oil & Gas Company, as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 27 North, Range 3 West, N.M.P.M.

Section 18: All

Section 19: All

containing 1217.34 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 20805

Oil and Gas Mining Lease - Tribal Indian Lands dated August 16, 1971 between The Jicarilla Apache Tribe of Indians (Contract #446) as Lessor, and Oil & Gas Company as Lessee, covering the following described land situated in Rio Arriba County, New Mexico:

Township 28 North, Range 3 West, N.M.P.M.
Section 19: All
Section 30: All
Section 31: All

containing 1208.97 acres, more or less, said lease being recorded in Book
, Page , Records of Rio Arriba County, New Mexico;

STATE OF New Mexico

COUNTY OF San Juan

SRC #20818

Lease for Oil and Gas (Serial N. 12235) dated September 1, 1970 between United States of America as Lessor, and Dr. E. L. Thielking as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 26 North, Range 13 West, N.M.P.M.

Section 3: S $\frac{1}{2}$
Section 9: NE $\frac{1}{4}$
Section 10: N $\frac{1}{2}$
Section 11: N $\frac{1}{2}$

containing 1120 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

- 600154 (1) Farmout Agreement dated March 7, 1979.
- (2) Operating Agreement dated March 7, 1979, J. Gregory Merrion et al, operators for all above described properties for Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 24410

Oil and Gas Lease (S.F. 078943A) dated March 1, 1948 between United States of America as Lessor, and William L. Clary as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 7 West, N.M.P.M.

Section 7: Lots 5, 6, 7, 8, E 1/2 W 1/2, E 1/2

As to the depths and formations underlying the surface from the base of the Mesaverde Formation to the base of Dakota Formation;

containing 546.72 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23421 (1) Unit Agreement dated December 7, 1953 for San Juan 29-7 Unit area, Rio Arriba County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24412

Oil and Gas Lease (Serial NO. SF-077968) dated February 1, 1948 between United States of America as Lessor, and Gas Producers Corp. as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 13 West, N.M.P.M.
Section 9: Lot 1, SE 1/4 SE 1/4

containing 69.06 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico:

The foregoing lease being subject to:

24414 (1) Communitization Agreement dated April 1, 1968, recorded Book
662, Page 374 for Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24413

Oil and Gas Lease (Serial NM 0556339) dated February 1, 1948 between United States of America as Lessor, and W. H. Sloan as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 28 North, Range 13 West, N.M.P.M.

Section 10: Lots 1, 2, 3, 4, S 1/2 S 1/2, limited to the
Dakota formation only in and under said land,

containing 275.36 acres, more or less, said lease being recorded in Book
, Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

24414 (1) Communitization Agreement dated April 1, 1968 for Dakota
formation, recorded Book 662, Page 374.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24415

Oil and Gas Lease (Serial No. NM-03999) dated September 1, 1947 between United States of America as Lessor, and Hubert G. Cole as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 29 North, Range 9 West, N.M.P.M.

Section 22: W 1/2 - From base of Mesaverde formation to base of the Dakota formation.

containing 320 acres, more or less, said lease being recorded in Book 126, Page 450, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Rocky Mountain - Joint Operating Agreement dated December 7, 1966, covering rights from the base of the Mesaverde Formation to the base of the Dakota formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24416

Oil and Gas Lease (OG455) dated December 18, 1956 between State of New Mexico as Lessor, and Schermerhorn Oil Corporation as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 27 North, Range 9 West, N.M.P.M.
Section 2: SE 1/4 SW 1/4

containing 40 acres, more or less, said lease being recorded in Book 321, Page 8, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- (1) Communitization Agreement dated May 6, 1957 for Pictured Cliffs formation.
- (2) Communitization Agreement dated April 17, 1964 for Mesaverde formation.
- 24418 (3) Operating Agreement dated April 17, 1964, El Paso Natural Gas Company, operator, Burroughs State Unit.
- 24417 (4) Operating Agreement dated May 6, 1957, between Skelly Oil Company, operator, and El Paso Natural Gas Company, et al, non-operators, Farming "O" Unit.
- 24419 (5) Operating Agreement dated April 7, 1966, between El Paso Natural Gas Company, as operator and Austral Oil Company, et al, as non-operators - Turner B Com "J" Unit.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24437-01

Oil and Gas Lease dated October 12, 1956, by and between James H. Luther and wife, Anna C. Luther, as Lessors, and Northwest Production Corporation, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: N 1/2 NW 1/4 and SE 1/4 NW 1/4

containing 120 acres, more or less, recorded in Book 341, Page 186, Records of said San Juan County, insofar only as said lease covers rights between the base of the Mesaverde Formation and the base of the Dakota Formation.

The foregoing lease being subject to:

- 24411 (1) Stipulation of Pooled or Unitized area, dated September 15, 1960, executed by Northwest Production Corporation et al, recorded in Book 465, Page 154, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24437-02

Oil and Gas Lease dated April 1, 1957, by and between Bonnie H. Luther, as Lessor, and Northwest Production Corporation, as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: N 1/2 NW 1/4 and SE 1/4 NW 1/4

containing 120 acres, more or less, recorded in Book 341, Page 187, Records of said San Juan County, insofar only as said lease covers rights between the base of the Mesaverde Formation and the base of the Dakota Formation.

The foregoing lease being subject to:

- 24411 (1) Stipulation of Pooled or Unitized area, dated September 15, 1960, executed by Northwest Production Corporation et al, recorded in Book 465, Page 154, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24474

Oil and Gas Lease dated December 15, 1956 between Denver and Rio Grande Western R.R., as Lessor and Northwest Production Co., as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 22: 694 acres lying in R.R. ROW in SW 1/4 as described in said lease.

Said lease being recorded in Book 321, Page 198, Records of San Juan County, New Mexico;

Subject to the following:

24411 (1) Flora Vista Unit Agreement dated September 15, 1960.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24475-01

Oil and Gas Lease dated February 15, 1957 between Ruth Heilman Whiteaker, et vir, George H. Whiteaker as Lessors, and Northwest Production Corporation as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 22: W 1/2 SW 1/4 SW 1/4 (less 100' wide strip conveyed to Denver Rio Grande R.R. Co.) as to rights between base of Mesaverde and base of Dakota formation.

containing 18.40 acres, more or less, said lease being recorded in Book 338, Page 120, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

24411 (1) Flora Vista Unit dated September 15, 1960, filed Book 465, Page 154.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24475-02

Oil and Gas Lease dated February 12, 1957 between Fred Langford and wife, Audie Langford, as Lessors, and Northwest Production Corporation as Lessee, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 22: W 1/2 SW 1/4 SW 1/4 (less a 100' strip of land conveyed to the Denver Rio Grande R.R. Co.), as to rights between base of Mesaverde and base of Dakota formation.

containing 18.40 acres, more or less, said lease being recorded in Book 338, Page 121, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

24411 (1) Flora Vista Unit dated September 15, 1960, filed Book 465, Page 154.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24476

Oil and Gas Lease dated February 7, 1958, by and between W.K. Henley and Maggie O. Henley, as Lessors, and Northwest Production Corporation, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: Part of NW 1/4 SW 1/4

containing 1.6 acres, more or less, as described in said lease recorded in Book 359, Page 128, Records of said San Juan County, insofar only as said lease covers rights between the base of the Mesaverde Formation and the base of the Dakota Formation.

The foregoing lease being subject to:

24411 (1) Stipulation of Pooled or Unitized area dated September 15, 1960, executed by Northwest Production Corporation, et al, recorded in Book 465, Page 154, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24477

Oil and Gas Lease dated January 31, 1957 between T.C. Bannowsky, et al, as Lessor, and Northwest Production Corporation, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: SW 1/4 NW 1/4

containing 40 acres, more or less, said lease being recorded in Book 338, Page 186, Records of San Juan County, New Mexico, insofar only as lease covers rights to depths from the base of Mesaverde formation to base of Dakota formation.

The foregoing lease being subject to:

- 24411 (1) Stipulation of Pooled or Unitized area dated September 1, 1960, filed Book 465, Page 154 for Dakota formation and Flora Vista formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24478

Oil and Gas Lease dated February 12, 1958, by and between Eldridge A. Osborn and wife, Ruby P. Osborn, as Lessors, and Monsanto Chemical Company, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: Part of SW 1/4 SW 1/4

containing 9.0 acres, more or less, as described in said lease recorded in Book 367, Page 146, Records of San Juan County, insofar only as said lease covers rights between the base of the Mesaverde Formation and the base of the Dakota Formation.

The foregoing lease being subject to:

24411 (1) Stipulation of Pooled or Unitized area dated September 15, 1960, executed by Northwest Production Corporation, et al, recorded in Book 465, Page 154, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24479

Oil and Gas Lease dated January 31, 1957 between M. L. Williams and wife, Mable Williams as Lessors, and Northwest Production Corporation as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Beginning on the North line of the NW 1/4 of the SW 1/4, Section 22, 40 rods West of the NE corner thereof; Thence South parallel to the East line of said NW 1/4 of the SW 1/4 to the Halford Ditch; thence along ditch Westerly to public road; thence South along road to the South line of said 1/4 Section; thence West to the SW corner thereof; thence North to the NW corner thereof; thence East to the place of beginning, containing, 18 acres, more or less, as to rights between base of Mesaverde formation and base of Dakota formation, said lease being recorded in Book 331, Page 114, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

24411 (1) Flora Vista Unit dated September 15, 1960, filed Book 465, Page 154.

STATE OF New Mexico

COUNTY OF San Juan

SRC #24480

Oil and Gas Lease dated July 17, 1957 between Carl R. Franklin et al, as Lessor, and Northwest Production Corporation as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

BEGINNING at a point which is the NE corner of the NW 1/ SW 1/4 of said Section 22, Thence North $88^{\circ} 12'$ West 660 feet; Thence South 902.8 feet to the NW boundary of the Halford Irrigating Ditch; Thence along said Ditch $88^{\circ} 55'$ West 299.6 feet to the East boundary of County Road; Thence along said Road South $57^{\circ} 19'$ West 200 feet; Thence South $32^{\circ} 3'$ West 172 feet; Thence South to the South Sub-Division line of said NW 1/4 SW 1/4; Thence East along the South Sub-Division line of said NW 1/ SW 1/4 880.4 feet more or less; Thence North 40 feet more or less; Thence South $87^{\circ} 31'$ East 439.6 feet; Thence North 1280 feet to the point of beginning, EXCEPTING THEREFROM

A tract of land described as follows: Beginning at a point lying on the East boundary line of the NW 1/4 SW 1/4 and which point is located South of the NE corner of said NW 1/4 SW 1/4 a distance of 1096.9 feet; Thence West 170 feet; Thence South $85^{\circ} 46'$ West 100 feet; Thence North $65^{\circ} 10'$ West 100 feet; Thence North $60^{\circ} 17'$ West 267.7 feet; Thence North 23.6 feet; Thence West 240 feet; Thence North 23.8 feet; Thence South $88^{\circ} 55'$ West 279.6 feet; Thence South $57^{\circ} 19'$ West 200 feet; Thence South $32^{\circ} 3'$ West 172 feet; Thence South $87^{\circ} 31'$ East 1076.3 feet; Thence North 183.1 feet to the point of beginning, containing approximately 6.87 acres.

containing 15.23 acres, more or less, said lease being recorded in Book 345, Page 96, Records of San Juan County, New Mexico, insofar only as said lease covers rights from the base of the Mesaverde formation to the base of the Dakota formation.

The foregoing lease being subject to:

- 24411 (1) Flora Vista Unit Agreement dated September 15, 1960, filed Book 465, Page 154, Records of San Juan County, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24481

Oil and Gas Lease dated February 6, 1958, by and between Gilbert Mascarenas and wife, Eloise Mascarenas, as Lessors, and Northwest Production Corporation, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: Part of NW 1/4 SW 1/4

containing 2.76 acres, more or less, being the lands described in said lease recorded in Book 359, Page 129, Records of said San Juan County, insofar only as said lease covers rights between the base of the Mesaverde Formation and the base of the Dakota Formation.

The foregoing lease being subject to:

24411 (1) Stipulation of Pooled or Unitized area, dated September 15, 1960, executed by Northwest Production Corporation, et al, recorded in Book 465, Page 154, Records of said San Juan County.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24482

Oil and Gas Lease dated February 6, 1958 between Delfido Valdez and wife, Octaviana G. Valdez as Lessors, and Northwest Production Corporation as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

Section 22: BEGINNING at a point which point is 1280 feet South and 694.8 feet North $87^{\circ} 31'$ West of the NE corner of the NW $1/4$ of the SW $1/4$, Section 22, Township 30 North Range 12 West, N.M.P.M.; Thence North $2^{\circ} 24'$ East 367.8 feet; Thence South $88^{\circ} 55'$ West 279.6 feet; Thence South $7^{\circ} 19'$ West 200 feet; Thence South $32^{\circ} 3'$ West 172 feet; Thence South $21^{\circ} 41'$ East 1.5 feet; Thence South $87^{\circ} 31'$ East 381.5 feet to the point of beginning and containing 2.55 acres, more or less and being in and a part of the NW $1/4$ SW $1/4$, Section 22, Township 30 North, Range 12 West, N.M.P.M.

containing 2.55 acres, more or less, said lease being recorded in Book 359, Page 127, Records of San Juan County, New Mexico; insofar only as to the rights between base of Mesaverde and base of Dakota formation.

The foregoing lease being subject to:

24411 (1) Flora Vista Unit dated September 15, 1960, filed Book 465, Page 154.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24483

Oil and Gas Lease dated January 23, 1957, between John W. McGregor et al, as Lessor, and Northwest Production Corporation, as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.
Section 22: NE 1/4 SW 1/4

containing 40 acres, more or less, said lease being recorded in Book 335, Page 2, Records of San Juan County, New Mexico.

The foregoing lease being subject to:

- 24411 (1) Flora Vista Unit Agreement dated September 15, 1960, filed Book 465, Page 154, Records of San Juan County, New Mexico;

STATE OF New Mexico

COUNTY OF San Juan

SRC # 24484

Oil, Gas and Mineral Lease dated August 12, 1958 between Frank L. Brown and his wife Jonnie J. Brown as Lessor, and Pan American Petroleum Corporation, insofar as said lease covers and affects the following described land situated in San Juan County, New Mexico:

Township 30 North, Range 12 West, N.M.P.M.

E/2 SE/4 SW/4 Section 22,

(EXCEPT, however, a strip of land 100 feet wide across the E/2 SE/4 SW/4 of said Section 22, containing 1.55 acres, more or less, conveyed by Evans Wood et ux to the Denver and Rio Grande R. R. Co. by Warranty Deed dated May 24, 1905 recorded in Book 18, Page 27 of the Records of said County), as to rights between base of Mesaverde formation and base of Dakota formation.

containing 18.45 acres, more or less, said lease being recorded in Book 392, Page 27, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

24411 (1) Flora Vista Unit dated September 15, 1960, filed Book 465, Page 154.

STATE OF New Mexico

COUNTY OF Rio Arriba

SRC # 24485

Oil and Gas Lease (S.F. 078943-A) dated March 1, 1948 between United States of America as Lessor, and William L. Clary as Lessee, insofar as said lease covers and affects the following described land situated in Rio Arriba County, New Mexico:

Township 29 North, Range 7 West, N.M.P.M.

Section 6: Lots 8, 9, 10, 11, 12, 13, 14, SE 1/4 NW 1/4,
E 1/2 SW 1/4, S 1/2 NE 1/4, SE 1/4

as to the depths and formations underlying the surface from the base of the Mesaverde Formation to the base of the Dakota Formation.

containing 530.15 acres, more or less, said lease being recorded in Book , Page , Records of Rio Arriba County, New Mexico;

The foregoing lease being subject to:

23421 (1) Unit Agreement dated December 7, 1953 for San Juan Unit 29-7 area, Rio Arriba Cournty, New Mexico.

STATE OF New Mexico

COUNTY OF San Juan

SRC #25085

Oil and Gas Lease (Serial NM 15849) dated July 1, 1972 between the United States of America as Lessor, and Perley M. Lewis as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 13 West, N.M.P.M.
Section 14: SE 1/4 SE 1/4

containing 40 acres, more or less, said lease being recorded in Book Page , Records of San Juan County, New Mexico;

The foregoing lease being subject to:

- 500049 (1) Communitization Agreement dated June 2, 1980 for the Dakota formation.
- (2) 5% of 8/8 overriding Royalty Interest retained by Perley M. Lewis.

STATE OF New Mexico

COUNTY OF Sandoval

SRC #30215

Oil and Gas Lease dated November 29, 1978 between Winston M. Williams James M. Williams, Jeanne M. Williams, Mayco E. Williams, Birdie M. Kent, Wanda R. Archuleta as Lessors, and Jack Underwood and Don Evans as Lessees, covering the following described land situated in Sandoval County, New Mexico:

Township 23 North, Range 1 West, N.M.P.M.

Section 29: W 1/2 NW 1/4

Section 30: E 1/2 NW 1/4, NE 1/4

containing 320 acres, more or less, said lease being recorded in Misc. Book 115, Page 515, Records of Sandoval County, New Mexico:

The foregoing lease being subject to:

- 25650 (1) Unit comprising the NE 1/4 Section 30, Township 23 North, Range 1 West, for production of hydrocarbons from the surface to the base of the Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF Sandoval

SRC #30216

Oil and Gas Lease dated May 2, 1979 between Eugene D. Williams as Lessor, and Jack Underwood as Lessee, covering the following described land situated in Sandoval County, New Mexico:

Township 23 North, Range 1 West, N.M.P.M.

Section 29: W 1/2 NW 1/4

Section 30: NE 1/4, E 1/2 NW 1/4

containing 320 acres, more or less, said lease being recorded in Misc. Book 115, Page 513, Records of Sandoval County, New Mexico;

The foregoing lease being subject to:

- 25650 (1) Unit comprising the NE 1/4 Section 30, Township 23 North, Range 1 West, for production of hydrocarbons from the surface to the base of the Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF Sandoval

SRC #30217

Oil and Gas Lease dated December 12, 1978 between Winston M. Williams et al, as Lessor, and Jack Underwood et al, as Lessees, covering the following described land situated in Sandoval County, New Mexico:

Township 23 North, Range 1 West, N.M.P.M.

Section 29: W 1/2 NW 1/4

Section 30: NE 1/4, and E 1/2 NW 1/4

containing 320 acres, more or less, said lease being recorded in Misc. Book 115, Page 518, Records of Sandoval County, New Mexico;

The foregoing lease being subject to:

- 25650 (1) Unit Comprising the NE 1/4 Section 30, Township 23 North, Range 1 West, for production of hydrocarbons from the Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF Sandoval

SRC #30218

Oil and Gas Lease dated December 6, 1978 between Winston M. Williams et al, as Lessors, and Jack Underwood et al, as Lessee, covering the following described land situated in Sandoval County, New Mexico:

Township 23 North, Range 1 West, N.M.P.M.

Section 29: W 1/2 NW 1/4

Section 30: E 1/2 NW 1/4 and NE 1/4

containing 320 acres, more or less, said lease being recorded in Misc. Book 115, Page 517, Records of Sandoval County, New Mexico;

The foregoing lease being subject to:

- 25650 (1) Unit comprising the NE 1/4 Section 30, Township 23 North, Range 1 West, for production of hydrocarbons from the surface to the base of the Pictured Cliffs formation.

STATE OF New Mexico

COUNTY OF San Juan

SRC # 102324

Lease for Oil and Gas (Serial Number NM 24667), dated May 1, 1975, between United States of America, as Lessor, and Marshall & Winston, Inc., as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 13 West, N.M.P.M.

Section 11: Lots 7, 8, S 1/2 SW 1/4

Section 12: Lots 9, 10, 11, 12, 13, 14, 15, 16

Section 13: Lots 1, 2, 3, 4, 5, 6, 11, 12, NW 1/4

containing 861.78 acres, more or less.

The foregoing lease being subject to:

500041 (1) Operating Agreement dated August 29, 1979, Southland Royalty Company, operator, and Marshall - Winston, non-operator.

STATE OF New Mexico

COUNTY OF San Juan

SRC #103030

Oil and Gas Lease (Serial NM 23247) dated November 1, 1974 between The United States of America as Lessor, and Charles E. Strange, Jr., as Lessee, covering the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 13 West, N.M.P.M.

Section 14: NE 1/4, N 1/2 SE 1/4, SW 1/4 SE 1/4.

Section 17: E 1/2

containing 600 acres, more or less, said lease being recorded in Book 877, Page 41, Records of San Juan County, New Mexico;

The foregoing lease being subject to:

500049 (1) Communitization Agreement dated June 2, 1980 for the Dakota formation.

The 1 and 1/6% overriding royalty interest conveyed by C.H. Nye and wife Linda Nye to Southland Royalty Company in assignment dated March 20, 1953, recorded in Volume 14, Page 328 of the Records of Rio Arriba County, New Mexico, in the oil, gas and casinghead gas, if, as and when produced, saved and sold from 1,882.35 acres, more or less, situated in Townships 29 and 30 North, Ranges 5 and 6 West, and being more particularly described in oil and gas lease dated February 7, 1947, from J. Christobal Gomez and wife, Agapita G. Gomez as Lessors, to Chas. W. McCarty as Lessee, recorded in Book 3, Page 438-439 of the Deed Records of said County, and State, save and except SW/4 SE/4, S/2 SW/4 and NE/4 SW/4 of Section 7, Township 30 North, Range 5 West, and all of Tract #38 in Sections 10, 11 and 15, Township 30 North, Range 6 West, N.M.P.M., containing 320 acres, more or less.

Subject to the following:

- a. San Juan 30-6 Unit dated April 30, 1953 and amended March 4, 1959.
- b. San Juan 29-6 Unit dated September 8, 1952, amended February 25, 1959.

The 4% overriding royalty interest conveyed by C. H. Nye and wife, Linda Nye to Southland Royalty Company in assignment dated March 2, 1953, recorded in Book 208, Page 133 of the records of San Juan County, New Mexico, covering the following described land in said County and State.

S/2 SE/4 of Section 24 and N/2 NE/4 of Section 25,
Township 30 North, Range 11 West, N.M.P.M. as

described in Oil and Gas Lease made and entered into between the United States and C. H. Nye, under date of July 1, 1948, bearing Santa Fe Serial No. 078198.

Subject to the following:

- (a) Communitization Agreement dated July 16, 1964, covering E/2 Section 24, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.
- (b) Communitization Agreement (undated) covering E/2 of Section 25, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.

MF 3264

San Juan County, New Mexico

An overriding royalty interest of 2% conveyed by C. H. Nye and Linda Nye, to Southland Royalty Company in assignment dated March 2, 1953, recorded in Volume 208, Page 134 of the Records of San Juan County, New Mexico, in all oil and gas that may be produced, saved and marketed by virtue of the following described lease:

Oil and Gas Lease between the United States and C. H. Nye dated July 1, 1948, Serial No. 078198, covering the NE/4 Section 1, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, and

Subject to:

Communitization Agreement, dated May 1, 1953, covering the N/2 Section 1, Township 30 North, Range 11 West, N.M.P.M. for the production from the Mesaverde Formation. Said Communitization Agreement was ratified by Southland Royalty Company November 5, 1953.

MF 3265

San Juan County, New Mexico

An overriding royalty of 1/4 of 1% conveyed by C. H. Nye and Linda Nye, to Southland Royalty Company, in assignment dated March 2, 1953, Recorded Volume 208, Page 135 of the records of San Juan County, New Mexico, in all oil and gas that may be produced, saved and marketed by virtue of the following described lease:

Oil and Gas Lease between the United States and Hubert G. Cole, dated September 1, 1947, Serial No. 079508, covering S/2 Section 35, Township 28 North, Range 10 West, N.M.P.M. San Juan County, New Mexico.

MF 3266

San Juan County, New Mexico

An overriding royalty of 1/4 of 1% conveyed by C. H. Nye and Linda Nye to Southland Royalty Company in assignment dated March 2, 1953, recorded in Volume 208, Page 136, records of San Juan County, New Mexico, in all oil and gas that may be produced, saved and marketed by virtue of the following described lease.

Oil and Gas Lease between the United States and Helen A. Omlor, dated September 1, 1947, Serial No. 077085, covering all Sections 25 and 26 and N/2 Section 35 and all Section 36, all Township 28 North, Range 10 West, N.M.P.M. San Juan County, New Mexico.

MF 3267

San Juan County, New Mexico

An overriding royalty of 2% conveyed by C. H. Nye and Linda Nye to Southland Royalty Company in assignment dated March 2, 1953, recorded Volume 208, Page 137, Records of San Juan County, New Mexico, in all oil and gas that may be produced, saved and marketed by virtue of the following described lease:

Oil and Gas Lease between the United States and W. H. Riddle Serial No. 078200, dated February 1, 1948 insofar and only insofar as said lease covers the NW/4 Section 12, Township 30, North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

Subject to:

Communitization Agreement dated June 1, 1953 covering the W/2 of Section 12, Township 30 North, Range 10 West, for production from the Mesaverde Formation.

The 1.500% overriding royalty interest conveyed by C. H. Nye and his wife, Linda Nye to Southland Royalty Company in assignment dated March 2, 1953, recorded in Book 208, Page 138 of the Records of San Juan County and Rio Arriba County, New Mexico, covering the following described land in said Counties and State:

Township 31 North, Range 6 West, N.M.P.M.

Section 6: S/2
Section 7: All
Section 18: S/2
Section 19: All
Section 20: All

Containing 2,560 acres, more or less, as described in Oil and Gas Lease made and entered into between the United States and W. R. Childers under date of July 1, 1948, bearing Santa Fe Serial No. 078988.

Subject to the following:

Northeast Blanco Unit Agreement dated July 16, 1951, covering 33,000 acres, more or less, more particularly described in said agreement.

The 1/4 of 1% overriding royalty interest conveyed by Dan W. Johnston and wife, Eileen E. Johnston to Southland Royalty Company in assignment dated February 27, 1953, recorded in Book 208, Page 139, of the records of San Juan County, New Mexico, covering the following described land in San Juan and Rio Arriba Counties, New Mexico:

Township 31 North, Range 7 West, N.M.P.M.

Section 22: All; Section 27: All;

Section 34: All; Section 35: All

containing 2,560 acres, more or less, as described in Oil and Gas Lease made and entered into between the United States and Patricia Seymour, dated July 1, 1948, and bearing Santa Fe Serial No. 079003.

Subject to the following:

- (a) Northeast Blanco Unit Agreement dated July 16, 1951, covering 33,000 acres, more or less, more particularly described in said agreement.

An overriding royalty of 1/4 of 1% conveyed by Dan W. Johnston and wife Eileen E. Johnston to Southland Royalty Company in assignment dated February 27, 1953, recorded Volume 208, Page 140, Records of San Juan County, New Mexico, and Volume 15, Page 456, Records of Rio Arriba County, New Mexico, in all oil and gas that may be produced, saved and marketed by virtue of the following described lease:

Oil and Gas Lease between the United States and P. A. MacPherson, Jr., dated July 1, 1948, Serial No. 079010, covering all of Section 23 and W/2 Section 24, and N/2 NW/4 and SW/4 NW/4 Section 25, and all of Section 26, containing 1720 acres more or less, San Juan and Rio Arriba Counties, New Mexico.

Subject to:

- a. Northeast Blanco Unit Agreement dated July 1, 1951 covering 33,000 acres more or less, more particularly described in said Agreement.

MF 3271

Rio Arriba County, New Mexico

An overriding royalty of 1/2 of 1% conveyed by C. H. Nye and Linda Nye, husband and wife, to Southland Royalty Company, by assignment dated March 2, 1953, recorded Volume 14, Page 561, Records of Rio Arriba County, New Mexico, in all oil and gas that may be produced, saved and marketed, by virtue of the following described lease.

Oil and Gas Lease between the United States and C. H. Nye, Serial No. 078282, dated March 1, 1948, covering all Section 19, and N/2 and SW/4 Section 29, and SE/4 SE/4 Section 30, and NE/4 NE/4 and N/2 NW/4 Section 31, all Township 29 North, Range 5 West, N.M.P.M. Rio Arriba County, New Mexico.

Subject to:

Unit Agreement for the Development and Operation of the San Juan 29-5 Unit, (un-dated) Rio Arriba County, New Mexico, containing 22,521.54 acres more or less, amended February 25, 1959.

The 1/2 of 1% overriding royalty interest conveyed by C. H. Nye and wife, Linda Nye to Southland Royalty Company in assignment dated March 2, 1953, recorded in Volume 14, Page 562 of the records of Rio Arriba County, New Mexico, covering the following described land in said County and State:

Township 29 North, Range 5 West, N.M.P.M.

Section 8: SW/4

Section 20: S/2

Section 21: W/2, W/2 NE/4, NW/4 SE/4;

Section 28: N/2 NW/4, SW/4 NW/4, S/2 SW/4;

Section 29: SE/4

containing 1280 acres, more or less, as described in Oil and Gas Lease made and entered into between the United States and J. Marbut George, dated February 1, 1948, bearing Santa Fe Serial No. 078281.

Subject to the following:

- (a) The San Juan 29-5 Unit agreement (undated) covering all of Township 29 North, Range 5 West, Rio Arriba County, New Mexico, containing 22,521.54 acres, more or less.

The 1 and 1/2% overriding royalty interest conveyed by C. H. Nye and wife, Linda Nye to Southland Royalty Company in assignment dated March 2, 1953, recorded in Volume 14, Page 563 of the records of Rio Arriba County, New Mexico, covering the following described land in said County and State:

Township 29 North, Range 7 West, N.M.P.M.

Section 3: SW/4
Section 4: S/2
Section 12: NW/4, E/2 SW/4,

containing 720 acres, more or less, as described in Oil and Gas Lease made and entered into between the United States and C. H. Nye, dated August 1, 1948, bearing Santa Fe Serial No. 078919.

Subject to the following:

- a. San Juan 29-7 Unit agreement (undated) covering Township 29 North, Range 7 West, Sections 1 through 36, containing 22,500.14 acres, more or less, and ratified by instrument dated May 21, 1954 and amended March 4, 1959.
- b. Communitization Agreement dated November 1, 1952 covering S/2 of Section 3, Township 29 North Range 7 West as to the Mesaverde Formation and ratified by Southland on May 8, 1953.

A 2% overriding royalty interest in and to all oil and gas produced, saved and sold from the following described land in San Juan County, New Mexico:

Township 30 North, Range 10 West
Section 3: Lot 2 (NW 1/4 NE 1/4)
 Lot 3 (NE 1/4 NW 1/4)

containing 80 acres, more or less, as conveyed by C. H. Nye and wife, Linda Nye, to Southland Royalty Company by Overriding Royalty Assignment dated March 2, 1953, recorded in Book 206, Page 186, of the Records of said San Juan County.

Subject to the following:

- a. Oil and Gas Lease dated January 24, 1949, made and entered into by and between John A. Pierce and wife, Katharine L. Pierce, lessors, and C. H. Nye, lessee, recorded in Book 135, Page 133, of the Records of said San Juan County, and any and all amendments thereto.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

An undivided 1/2 interest in and to all of the oil and gas in and under and that may be produced from the NW/4 SW/4, and the South 10 acres of the SW/4 NW/4 (and being all that part of said SW/4 NW/4 situated and lying above the Inca Canal of the Aztec Irrigation Company) all in Section 4, Township 31 North, Range 10 West, N.M.P.M., as conveyed by C. H. Nye and Linda Nye, husband and wife, as Grantors to Southland Royalty Company, as Grantee, dated March 2, 1953, recorded Volume 206, Page 173, Records of San Juan County, New Mexico, subject to the following:

- a. Oil and Gas Lease dated July 31, 1948, from Ben Case, et al as Lessors, to C. H. Nye, as lessee, recorded Volume 130, Page 474, Records of San Juan County, New Mexico.
- b. Communitization Agreement dated February 5, 1954, covering the S/2 Section 4, Township 31 North, Range 10 West, N.M.P.M. for the production from the Mesaverde Formation.

An undivided 1/2 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 30 North, Range 7 West, N.M.P.M.
The South 20 acres of Tract 40 in Section 7,
The East 80 acres of Tract 41 in Sections 7 and 8;
The North 40 acres of Tract 42 in Section 8;

containing 140 acres, more or less, as described in deed dated March 2, 1953, from C. H. Nye and wife, Linda Nye to Southland Royalty Company, recorded in Book 206, Page 176 of the Records of San Juan County, New Mexico.

Subject to the following:

- a. Northeast Blanco Unit Agreement dated July 16, 1951, covering 33,000 acres, more or less, more particularly described in said agreement.
- b. Oil and Gas Lease dated November 17, 1947, from Santiago Velasquez and wife, Juanita Valesquez, as Lessors, to C.H. Nye, as Lessee, recorded in Volume 130, Page 194 of the Records of San Juan County, New Mexico.

An undivided 1/2 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 31 North, Range 7 West, N.M.P.M.

Section 31: NE/4 SE/4, SE/4 NE/4, and 5 acres on East side of SW/4 NE/4, and 5 acres along the East side of NW/4 NE/4, containing 90 acres, being a part of Tract 51 in Sections 31 and 32 of said Township and Range, and being the same land conveyed to Sillviano Lucero by deed recorded in Book 56, Page 312 of the Records of said County, and

as described in deed dated March 2, 1953 from C. H. Nye and wife, Linda Nye to Southland Royalty Company, recorded in Book 206, Page 177 of the Records of San Juan County, New Mexico.

Subject to the following:

- a. Northeast Blanco Unit Agreement dated July 16, 1951, covering 33,000 acres, more or less, more particularly described in said agreement.
- b. Any and all valid and subsisting lease, communitization, pooling and unitization agreements, and any and all amendments thereto.

An undivided 1/2 interest in and to all of the oil, gas and other minerals in and under that may be produced from the following described land in San Juan County, New Mexico:

The East 18.85 acres of the NE/4 of Section 13, Township 30 North, Range 8 West, N.M.P.M., and the SE/4 SE/4 of Section 18, and NE/4 NE/4 of Section 19, and the West 70 acres of the W/2 NE/4 of Section 31, in Township 31 North, Range 7 West N.M.P.M., containing 168.85 acres, more or less.

as conveyed by C. H. Nye and Linda Nye as Grantors to Southland Royalty Company by deed dated March 2, 1953, recorded in Volume 206, Page 178, Records of San Juan County, New Mexico and subject to the following:

- a. Oil and Gas Lease dated December 15, 1947, from Ben Case and wife, Zella Mae Case, as Lessors, to Stanolind Oil and Gas Company, as Lessee, covering the East 18.85 acres of the NE/4 of Section 13, Township 30 North, Range 8 West, N.M.P.M. recorded in Volume 130, Page 192, Records of San Juan County, New Mexico.
- b. Oil and Gas Lease dated November 7, 1947, from Ben Case, as Lessor, to C. H. Nye as Lessee, covering SE/4 SE/4 of Section 18 and NE/4 NE/4 of Section 19, all Township 31 North, Range 7 West, recorded in Volume 130, Page 127, Records of San Juan County, New Mexico.
- c. Oil and Gas Lease dated January 28, 1948, from Ben Case, as Lessor, to Stanolind Oil and Gas Company, as Lessee, covering the West 70 acres in the W/2 NE/4 of Section 31, Township 31 North, Range 7 West.
- d. Unit Agreement for the development and operation of the San Juan 32-7 Unit Area, approved December 16, 1952, and designated 14-08-001-441 by the Geological Survey, amended February 25, 1959.

A 5% overriding royalty interest in and to all oil and gas produced, saved and sold from the following described land in San Juan County, New Mexico:

Township 30 North, Range 8 West

Section 10: SE 1/4 NE 1/4

Section 11: S 1/2 NW 1/4

containing 120 acres, more or less, as conveyed by C. H. Nye and wife, Linda Nye, to Southland Royalty Company by Overriding Royalty Assignment dated March 2, 1953, recorded in Book 206, Page 187, of the Records of said San Juan County.

Subject to the following:

- a. Oil and Gas Lease dated December 29, 1951, made and entered into by and between Beatrice Martinez et al, lessors, and C. H. Nye, lessee, recorded in Book 180, Page 21, of the Records of said San Juan County, and any and all amendments thereto.
- b. Oil and Gas Lease dated December 29, 1951, made and entered into by and between Beatrice Martinez, Guardian, lessor, and C. H. Nye, lessee, recorded in Book 180, Page 20, of the Records of said San Juan County, and any and all amendments thereto.
- c. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An undivided 15/124 interest in and to the oil, gas and other minerals in and under the following described land in San Juan County, New Mexico:

Township 29 North, Range 9 West

Section 7: S 1/2 SE 1/4, SE 1/4 SW 1/4

Section 18: 4 1/2 acre rectangular strip extending from NW corner of NE 1/4 NW 1/4 to NE corner of NW 1/4 NE 1/4

containing 124 1/2 acres, more or less, as conveyed by C. H. Nye and wife, Linda Nye, to Southland Royalty Company by deed dated March 2, 1953, recorded in Book 206, Page 179, of the Records of said San Juan County.

Subject to the following:

- a. Oil and Gas Mining Lease dated April 4, 1946, made and entered into by and between Irene Lujan Montoya, lessor, and Erle Payne, lessee, recorded in Book 125, Page 10, of the Records of said San Juan County, and any and all amendments thereto.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An undivided 7/8 interest in and to the oil, gas and other minerals in and under the following described land in San Juan County, New Mexico:

Township 29 North, Range 9 West
Section 7: E 1/2 SW 1/4 NE 1/4

containing 20 acres, more or less, as conveyed by C. H. Nye and wife, Linda Nye, to Southland Royalty Company by deed dated March 2, 1953, recorded in Book 206, Page 180, of the Records of said San Juan County.

Subject to the following:

- a. Oil and Gas Lease dated October 14, 1950, made and entered into by and between C. H. Nye and wife, Linda Nye, lessors, and Stan-olind Oil and Gas Company, lessee, recorded in Book 152, Page 232, of the Records of said San Juan County and any and all amendments thereto.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An undivided 1/2 interest in and to the oil, gas and other minerals in and under the following described land in San Juan County, New Mexico:

Township 30 North, Range 8 West

Section 19: S/528 feet of NW 1/4 SE 1/4, containing 16 acres;
N/8 acres of SW 1/4 SE 1/4 and SE 1/4 SW 1/4;
2 acres in NW part of NE 1/4 SE 1/4

containing in the aggregate 26 acres, more or less, as conveyed by Dan W. Johnston and wife, Eileen E. Johnston, to Southland Royalty Company by deed dated February 27, 1953, recorded in Book 206, Page 181, of the Records of said San Juan County.

Subject to the following:

- a. Oil and Gas Lease dated February 3, 1953, made and entered into by and between Dan W. Johnston and wife, Eileen E. Johnston, lessors, and Ralph A. Johnston, lessee, recorded in Book 203, Page 94, of the Records of said San Juan County, and any and all amendments thereto.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An undivided 25/64 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 32 North, Range 6 West, N.M.P.M.

Section 7: S/2 SE/4

Section 8: SW/4 SW/4

Section 17: W/2 NW/4, NW/4 SW/4

Section 18: N/2 NE/4, containing 320 acres,

more or less, as described in deed dated March 2, 1953, from H. N. McClain, a feme sole, to Southland Royalty Company, recorded in Book 206, Page 182 of the Records of San Juan County, New Mexico.

Subject to the following:

- a. Allison Unit Agreement (Tract 27).
- b. Oil and Gas Lease dated June 15, 1948 from Tirzah Smouse, Lessor, to J.D. Long, Lessee, recorded in Book 130, Page 169, of said Records, and covering above described lands.

An undivided 5/32 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 32 North, Range 6 West, N.M.P.M.
Section 18: Lots 2 and 3, SE/4 NW/4; NE/4 SW/4;
S/2 NE/4; and N/2 SE/4, containing
319.09 acres more or less,

described in deed dated March 2, 1953 from H.N. McClain, a feme sole to Southland Royalty Company, recorded in Book 206, Page 183 of the Records of San Juan County, New Mexico.

Subject to the following:

- a. Allison Unit Agreement (Tract 37).
- b. Oil and Gas Lease dated November 30, 1948 from Ada B. McCristal and E.A. McCristal, her husband, Lessors, to J.D. Long, Lessee, recorded in Book 135, Page 147 of said Records, covering the above described lands.

An undivided 13/64 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 32 North, Range 6 West, N.M.P.M.

Section 20: W/2, containing 320 acres, more or less,

described in deed dated March 2, 1953, from H. N. McClain, a feme sole, to Southland Royalty Company, recorded in Book 206, Page 185 of the Records of San Juan County, New Mexico:

Subject to the following:

- a. Allison Unit Agreement.
- b. Oil and Gas Lease dated June 28, 1948, from A. L. Harrington and wife, Martha Harrington, and Eugenie Gallegos, lessors, to J. D. Long, lessee, recorded in Book 130, Page 381, and in Book 135, Page 32, Records of San Juan County, New Mexico.

MF 3292

San Juan County, New Mexico

The 4% overriding royalty interest conveyed by C. H. Nye and wife, Linda Nye to Southland Royalty Company in assignment dated May 7, 1953, recorded in Book 210, page 115 of the Records of San Juan County, New Mexico, covering the following described lands in said County and State:

Township 31 North, Range 11 West, N.M.P.M.

Section 23: NE/4 NE/4, containing 40 acres, more or less,

as described in Oil and Gas Lease made and entered into between the United States and C. H. Nye under date of July 1, 1948, bearing Santa Fe Serial No. 080359.

Subject to the following:

Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

MF 3293

San Juan County, New Mexico

The 1.500% overriding royalty interest conveyed by Dan W. Johnston and wife, Eileen E. Johnston to Southland Royalty Company in assignment dated March 2, 1953, recorded in Book 208, Page 132 of the Records of San Juan County, New Mexico, covering the following described lands in said County and State:

Township 32 North, Range 11 West, N.M.P.M.

Section 31: N/2 SE/4, containing 80 acres, more or less,

as described in Oil and Gas Lease made and entered into between Fred L. Lawson et al, Lessors and Dan W. Johnston, Lessee, dated February 16, 1951 and recorded in Book 155, Page 131 et seq. of the Records of said County and State.

Subject to the following:

Federal-Lawson Unit covering E/2 Section 31, T-32-N,
R-11-W.

MF 3304

San Juan County, New Mexico

An undivided 5/8 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.

Section 15: SE/4 NW/4 and S/2 NE/4, containing
120 acres, more or less;

as described in deed dated May 19, 1953, from C. H. Nye and wife, Linda Nye to Southland Royalty Company, recorded in Book 212, Page 42 of the Records of said County and State.

Subject to any and all valid and subsisting lease, communitization, pooling and unitization agreements, and any and all amendments thereto.

MF 3305

San Juan County, New Mexico

All interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 23: NE/4 SE/4, containing 40 acres,
more or less,

as described in deed dated May 19, 1953, from C. H. Nye and wife, Linda Nye to Southland Royalty Company, recorded in Book 212, Page 43 of the Records of said County and State.

Subject to any and all valid and subsisting lease, communitization, pooling and unitization agreements, and any and all amendments thereto.

MF 3306

San Juan County, New Mexico

All interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 24: NW/4 SW/4, containing 40 acres,
more or less,

as described in deed dated May 19, 1953, from C. H. Nye and wife, Linda Nye to Southland Royalty Company, recorded in Book 212, Page 45 of the Records of said County and State.

Subject to any and all valid and subsisting lease, communitization, pooling and unitization agreements, and any and all amendments thereto.

An undivided 5/8 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situated in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 14: SW/4 NW/4, containing 40 acres,
more or less,

as described in deed dated May 19, 1953, from C. H. Nye and wife, Linda Nye to Southland Royalty Company, recorded in Book 212, Page 44 of the Records of said County and State.

Subject to the following:

- a. San Juan 32-9 Unit Agreement dated February 10, 1953, and Amendment thereto dated March 4, 1959.
- b. Any and all valid and subsisting lease, communitization, pooling and unitization agreements, and any and all amendments thereto.

MF 3312

Rio Arriba County, New Mexico

An undivided 104.823/306.47 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following lands situated in Rio Arriba County, New Mexico:

Township 29 North, Range 6 West, N.M.P.M.

Tract No. 41 containing 145.23 acres;
Section 4: Lots 6, 7, 11, 12, S/2 SW/4
and SW/4 SE/4;
Section 9: NW/4 NE/4;

Excepting:

SW/4 NW/4 and NW/4 SW/4 of Section 4,
T29N, R6W, N.M.P.M.

as described in deed dated June 9, 1953, from Vera H. Jones to Southland Royalty Company, recorded in Book 16, Page 363 of the Deed Records of said County and State.

Subject to the following:

- a. San Juan 29-6 Unit Agreement dated September 8, 1952, amended February 25, 1959.
- b. Any and all valid and subsisting lease, communitization, pooling and unitization agreements, and any and all amendments thereto.

A 17.5% overriding royalty interest in and to all oil, gas and/or liquid hydrocarbons produced from the Dakota Formation in and under the following described land in San Juan County, New Mexico:

Township 30 North, Range 11 West
Section 3: NE/4 NE/4, less 3 acres
1.18 acres of NW/4 NE/4

being the same interest reserved by Aztec Oil & Gas Company in that certain Partial Assignment of Oil and Gas Leases to Man Drilling Company, Inc., dated July 18, 1962, recorded in Book 529, Page 261, of the Records of said San Juan County, to which instrument and the record thereof reference is hereby made for a more particular description of said land.

Subject to the following:

- a. Oil and Gas Lease dated August 30, 1949, made and entered into by and between Frank J. Titt, Lessor, and C. H. Nye, Lessee, recorded in Book 139, Page 214, of the Records of said San Juan County.
- b. Oil and Gas Lease dated December 20, 1949, made and entered into by and between Carl G. Calloway et al, Lessors, and H. F. Pettigrew, Lessee, recorded in Book 140, Page 334, of the Records of said San Juan County.
- c. Communitization Agreement dated June 1, 1962, insofar as it covers rights in the Dakota Formation for the E/2 Section 3, Township 30 North, Range 11 West, N.M.P.M.

20246

San Juan County, New Mexico

An overriding royalty interest equal to 1/16 of 7/8 of all oil and gas which may be produced, saved and sold from the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 12: Lot 4,

as reserved in assignment dated June 7, 1955, from Aztec Oil & Gas Company to Great Western Drilling Company.

Subject to the following:

- (1) Oil and Gas Lease dated July 1, 1948, from United States of America, as Lessor, and J.D. Hubbard, as Lessee, bearing Santa Fe Serial No. 78312, insofar as said lease covers the above described land.

An overriding royalty interest of 3/75% in and to the oil, gas and other minerals in and under the following described lands in San Juan County, New Mexico:

Township 29 North, Range 12 West, N.M.P.M.
Section 13: S 1/2 NW 1/4

as retained in that certain assignment dated March 1, 1955, by and between Aztec Oil & Gas Company as Assignor and Ira Scott, et al, as Assignees, as to rights from the surface to the base of the Pictured Cliffs Formation. The foregoing overriding royalty interest is subject to:

- a. Operating Agreement dated July 10, 1953 between Aztec Oil & Gas Company and Marquis G. Eaton and Charlotte Eaton, his wife, and
- b. Oil and Gas Lease dated February 1, 1940, by and between the United States and Joe D. Reid, covering the S 1/2 N 1/2 and S 1/2 Section 13, Township 29 North, Range 12 West, San Juan County, New Mexico.

The 2% overriding royalty interest in all of the oil, gas and/or liquid hydrocarbons which may be produced from the Dakota Formation, reserved by Aztec Oil & Gas Company, in assignment to Pan American Petroleum Corporation, dated November 30, 1961, covering the following:

1. Oil and Gas Lease dated August 30, 1946, from Joe Mangum and wife, Mamie Mangum, as Lessors, to Southern Union Production Company, as Lessee, recorded in Book 89, Page 819, of Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described lands in San Juan County, New Mexico:

Township 29 North, Range 11, West, N.M.P.M.
Section 28: SE/4 NE/4

containing 40 acres, more or less, and

2. Oil and Gas Lease dated June 6, 1946, from Mrs. John Sategna, a widow, as Lessor, and Southern Union Production Company, as Lessee, recorded in Book 89, Page 814 of the Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described lands in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 28: NW/4 NW/4

containing 40 acres, more or less.

A 2% overriding royalty interest in and to all oil, gas and other liquid hydrocarbons produced, saved and sold from the Dakota Formation in and under the following described land in San Juan County, New Mexico:

Township 29 North, Range 11 West
Section 28: SW 1/4 NW 1/4

containing 40 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Partial Assignment of Oil and Gas Lease to Pan American Petroleum Corporation, dated November 30, 1961, recorded in Book 519, Page 6, of the Records of said San Juan County.

Subject to the following:

- a. Oil and Gas Lease dated June 6, 1946, made and entered into by and between Mrs. John Sategna, Lessor, and Southern Union Production Company, Lessee, recorded in Book 89, Page 814, of the Records of said San Juan County, and any and all amendments thereto.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20270, 20271, 20273
20274, 20277

San Juan County, New Mexico

The 1% overriding royalty interest in all of the oil, gas and/or liquid hydrocarbons which may be produced from the Dakota Formation, reserved by Aztec Oil & Gas Company in assignment to Summit Oil Company, dated July 20, 1961, covering the following:

1. Oil and Gas Lease dated August 30, 1946, from Joe Mangum and wife, Mamie Mangum, as Lessors, to Southern Union Production Company, as Lessee, recorded in Book 89, Page 819, of Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described lands in San Juan County, New Mexico:

20270

Township 29 North, Range 11 West, N.M.P.M.
Section 26: NE/4 NW/4
Section 27: S/2 NW/4

containing 120 acres, more or less, and

2. Oil and Gas Lease dated October 8, 1946, from W. R. Gibson and wife Florence L. Gibson, as Lessors to Southern Union Production Company, as Lessee, recorded in Book 125, Page 57, of Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described lands in San Juan County, New Mexico:

20277

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SW/4 SW/4

containing 40 acres, more or less, and

3. Oil and Gas Lease dated October 17, 1946, from John Dallabetta et al, as Lessors, to Southern Union Production Company, as Lessee, recorded in Book 125, Page 90, of the Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described lands in San Juan County, New Mexico:

20271

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SE/4 SW/4

containing 40 acres, more or less, and,

4. Oil and Gas Lease dated June 24, 1946, from Elizabeth Harris, a widow, as Lessor, to Southern Union Production Company, as Lessee, recorded in Book 125, Page 44, of Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described lands in San Juan County, New Mexico:

20274

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SW/4 SE/4

containing 40 acres, more or less, and,

5. Oil and Gas Lease dated October 8, 1946, from Tony William Faverino and wife, Eunice Sadler Faverino and M. L. Faverino and wife, Mary Faverino, as Lessors, to Southern Union Production Company, as Lessee, recorded in Book 89, Page 817 of Oil and Gas Records of San Juan County, New Mexico, insofar only as said lease covers the following described land in San Juan County, New Mexico:

20273

Township 29 North, Range 11 West, N.M.P.M.
Section 20: SE/4 SE/4

containing 40 acres, more or less.

Subject to the following:

- a. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

20289

San Juan County, New Mexico

The 1/8 of 8/8 overriding royalty interest conveyed by J. Glenn Turner et al, to Aztec Oil & Gas Company in assignment dated December 31, 1954, recorded in Book 275, Page 110 of the Records of San Juan County, New Mexico, covering the following described lands in said County and State:

Township 27 North, Range 9 West, N.M.P.M.

Section 24: SW/4

containing 160 acres, more or less and limited to all formations down through the base of the Pictured Cliffs formation in and under that certain Oil and Gas Mining Lease, dated June 9, 1950, entered into between Allottees Numbers 011499, 011500, and 062702, as Lessors and F.D. Jernigan, as Lessee, bearing Contract Number I-149-Ind.-8467, insofar as said lease covers the above described land.

Subject to the following:

- a. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

A 6.5% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to and including the Pictured Cliffs Formation in and under the following described land in San Juan County, New Mexico:

Township 28 North, Range 10 West
Section 16: NE 1/4 SE 1/4

containing 40 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Partial Assignment of Oil and Gas Rights to R.E. Jackson dated July 17, 1956, recorded in Book 411, Page 190 of Records of San Juan County, New Mexico.

Subject to the following:

- a. Oil and Gas Lease, SF 080781, made and entered into as of January 1, 1949, by and between the United States of America, Lessor, and John S. Cain, Lessee, recorded in Book 882, Page 324, Records of San Juan County, New Mexico.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20294

San Juan County, New Mexico

The 1/16 of 7/8 overriding royalty interest reserved in assignment dated June 7, 1955 from Aztec Oil & Gas Company, Assignor, to Great Western Drilling Company, Assignee, insofar as it pertains to oil and gas rights from the surface to and including the Mesaverde formation in and under the following described land situated in San Juan County, New Mexico:

Township 32 North, Range 12 West, N.M.P.M.
Section 12: SW 1/4 SW 1/4

Such overriding royalty interest being of the market value at the wells, as produced, of all oil and gas which may be produced, saved, and marketed from said formation and lands or attributable thereto.

20341

San Juan County, New Mexico

A .7.5% overriding royalty interest in and to only the gas produced, saved and sold from the surface down to the base of the Pictured Cliffs Formation in and under the following described land in San Juan County, New Mexico:

Township 29 North, Range 13 West
Section 20: S 1/2 SE 1/4, NW 1/4 SE 1/4

containing 120 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Ted M. White dated October 10, 1958.

Subject to the following:

- a. Oil and Gas Lease SF 079065 made and entered into as of October 1, 1949, by and between the United States of America, lessor, and L. N. Hagood, lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

A 6.25% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to 100 feet below the base of the Dakota Formation in and under the following described land in Rio Arriba County, New Mexico:

Township 26 North, Range 4 West
Section 11: E 1/2

containing 320 acres, more or less, being the same interest reserved to Aztec Oil & Gas Company in that certain Oil and Gas Mining Sublease dated February 14, 1964, made and entered into by and between Southern Union Production Company and Aztec Oil and Gas Company, sublessors, and Consolidated Oil & Gas, Inc., sublessee.

Subject to the following:

- a. Oil and Gas Mining Lease (Jicarilla Tribal Contract No. 101) dated March 7, 1952, made and entered into by and between Frank Vigil, Chairman of the Jicarilla Apache Tribal Council, on behalf of the Jicarilla Apache Tribe of Indians, lessor, and Southern Union Gas Company, lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20346

Rio Arriba County, New Mexico

A 6.25% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to 100 feet below the base of the Dakota Formation in and under the following described land in Rio Arriba County, New Mexico:

Township 26 North, Range 4 West
Section 26: E 1/2

containing 320 acres, more or less, being the same interest reserved to Aztec Oil & Gas Company in that certain Oil and Gas Mining Sublease dated February 14, 1964, made and entered into by and between Southern Union Production Company and Aztec Oil & Gas Company, Sublessors, and Consolidated Oil & Gas Company, Inc., Sublessee.

Subject to the following:

- a. Oil and Gas Mining Lease (Jicarilla Tribal Contract No. 106) dated March 7, 1952, made and entered into by and between Frank Vigil, Chairman of the Jicarilla Apache Tribal Council, on behalf of the Jicarilla Apache Tribe of Indians, lessor, and Southern Union Gas Company, Lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

An overriding royalty interest of 1/16 in and to the oil, gas and other minerals that may be produced from the following described land in Rio Arriba County, New Mexico:

Township 25 North, Range 3 West, N.M.P.M.
Section 7: E/2

As retained in that certain assignment dated July 30, 1964 by and between Aztec Oil & Gas Company and Southern Union Production Company, as Assignors and Oscar Abraham et al, as Assignee, covering the SE/4 of Section 7, Township 25 North, Range 3 West, as to rights from the surface to the base of the Pictured Cliffs Formation and in that certain Assignment dated December 21, 1964 by and between Aztec Oil & Gas Company to Oscar Abraham et al, as Assignee, covering the NE/4 Section 7, Township 25 North, Range 3 West as to rights from the surface to the base of the Pictured Cliffs Formation.

Subject to the following:

- a. Oil and Gas Lease dated March 10, 1954 by and between Leonard L. Johnston et ux, as Lessors, to Southern Union Gas Company as Lessee, recorded in Volume 21, Page 611, Records of Rio Arriba County, New Mexico.

A 1/8 of 8/8 overriding royalty interest in and to only the gas produced, saved and sold from the surface down to and including the Mesaverde Formation in and under the following described land in San Juan County, New Mexico:

Township 32 North, Range 9 West

Section 36: N 1/2 NE 1/4, SE 1/4 NE 1/4, N 1/2 NW 1/4,
SW 1/4 NW 1/4, SW 1/4 SE 1/4

containing 280 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to El Paso Natural Gas Company dated May 6, 1958, recorded in Book 28, Page 134, Register of Miscellaneous Instruments in the Office of the Commissioner of Public Lands of the State of New Mexico.

Subject to the following:

- a. Oil and Gas Lease, E-3520, dated May 10, 1950, made and entered into by and between the State of New Mexico, lessor, and Southern Union Gas Company, lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20391

San Juan County, New Mexico

A 5% overriding royalty interest in and to only the gas produced, saved and sold from the surface down to and including the Mesaverde Formation in and under the following described land in San Juan County, New Mexico:

Township 32 North, Range 9 West

Section 16: NE 1/4 SW 1/4, S 1/2 SW 1/4, NW 1/4 SE 1/4

containing 160 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to El Paso Natural Gas Company dated May 6, 1958, recorded in Book 28, Page 134, Register of Miscellaneous Instruments in the Office of the Commissioner of Public Lands of the State of New Mexico.

Subject to the following:

- a. Oil and Gas Lease B-11125 dated March 21, 1944, made and entered into by and between the State of New Mexico, Lessor, and Harry S. Wright, Lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20393

San Juan County, New Mexico

A 5% overriding royalty interest in and to only the gas produced, saved and sold from the surface down to and including the Mesaverde Formation in and under the following described land in San Juan County, New Mexico:

Township 32 North, Range 9 West

Section 10: Lots 1, 2, 3, 4, S 1/2

Section 11: Lots 1, 2, 3, 4, S 1/2

containing 737.03 acres, more or less, being the same interest reserved by Aztec Oil and Gas Company in that certain Assignment of Operating Rights to El Paso Natural Gas Company dated May 6, 1958.

Subject to the following:

Oil and Gas Lease, SF 079320, made and entered into as of May 1, 1948, by and between the United States of America, Lessor, and P.H. Robinson, Jr., Lessee.

Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20423

San Juan County, New Mexico

A 5% overriding royalty interest in and to only the gas produced, saved and sold from the surface down to and including the Mesaverde Formation in and under the following described land in San Juan County, New Mexico:

Township 32 North, Range 9 West
Section 16: NE 1/4 NE 1/4, S 1/2 SE 1/4

containing 120 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to El Paso Natural Gas Company dated May 6, 1958, recorded in Book 28, Page 134, Register of Miscellaneous Instruments in the Office of the Commissioner of Public Lands of the State of New Mexico.

Subject to the following:

- a. Oil and Gas Lease, E-3071, dated November 10, 1949, made and entered into by and between the State of New Mexico, Lessor, and C.E. Mitcham, Lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

An overriding royalty of 12.5% in all of the oil, gas and/or liquid hydrocarbons which may be produced from the surface to a depth of 6,195 feet, reserved by Aztec Oil & Gas Company in assignment of operating rights to Compass Exploration, Inc., dated April 28, 1960, covering the following:

1. Oil and Gas Lease dated August 1, 1948 from the United States of America, as Lessor, to Frank Orwitz, as Lessee, covering the following described lands in San Juan County, New Mexico:

Township 30 North, Range 14 West, N.M.P.M.
Section 34: Lots 1, 2, 3, 4, NE/4, N/2 S/2
Section 35: Lots 1, 2, 3, 4, NW/4, N/2 S/2

Subject to the following:

- (a) North Kirtland Unit, dated June 30, 1961, for production from Dakota formation.

20488

San Juan County, New Mexico

A 1/8 of 8/8 overriding royalty interest in and to all oil, gas and other hydrocarbons produced, saved and sold from the surface to the base of the Pictured Cliffs formation in and under the following described land in San Juan County, New Mexico:

Township 27 North, Range 13 West, N.M.P.M.
Section 31: Lots 1, 2, 3, 4, 5, 6, NE/4
Section 32: W/2 SE/4, NE/4 SE/4
Section 33: All

containing 1106.07 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Dugan Production Corporation dated May 24, 1976, effective August 18, 1975.

Subject to the following:

- a. Oil and Gas Lease (Serial NM 0553184) made and entered into as of May 1, 1964, by and between the United States of America, lessor, and Aztec Oil & Gas Company, lessee, recorded in Book , Page , of the Records of said San Juan County.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20488

San Juan County, New Mexico

A 1/16 of 8/8 overriding royalty interest in and to all oil, gas and other hydrocarbons produced, saved and sold from the surface to the base of the Pictured Cliffs formation in and under the following described land in San Juan County, New Mexico:

Township 27 North, Range 13 West, N.M.P.M.
Section 32: SW/4

containing 160 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Dugan Production Corporation dated November 13, 1970, effective September 1, 1970.

Subject to the following:

- a. Oil and Gas Lease (Serial NM 0553184) made and entered into as of May 1, 1964, by and between the United States of America, lessor, and Aztec Oil & Gas Company, lessee, recorded in Book , Page , of the Records of said San Juan County.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

20501

San Juan County, New Mexico

An overriding royalty interest of 1/8 of 8/8 in and to the oil, gas and other minerals in and under the following described land in San Juan County, New Mexico:

Township 26 North, Range 12 West, N.M.P.M.
Section 21: S/2

As retained in that certain assignment dated February 23, 1976 by and between Aztec Oil & Gas Company, as Assignor, and Dugan Production Corp., as Assignee, insofar as lease covers rights from the surface down to the base of the Pictured Cliffs formation.

Subject to the following:

- a. Oil and Gas Lease from The United States, as Lessor, to William E. Jeffers, as Lessee, dated November 1, 1965, Serial No. NM-0558240.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An overriding royalty interest of 1/16 of 8/8 in and to the oil, gas and other minerals in and under the following described land in Rio Arriba County, New Mexico:

Township 26 North, Range 2 West, N.M.P.M.

Section 16: W/2, containing 320 acres, more or less,

as retained in that certain assignment of operating rights out of Lease dated April 1, 1968, and bearing Serial No. NM-4447 as conveyed by Aztec Oil & Gas Company to Albert J. Blair insofar as it covers rights to a depth of 6114 feet and subject to:

- a. Farmout Agreement dated November 18, 1970, by and between Albert J. Blair, Jr., and Aztec Oil & Gas Company, covering W/2 Section 16, Township 26 North, Range 2 West, Rio Arriba County, New Mexico.

20613

Rio Arriba County, New Mexico

An overriding royalty of 12.5% in all of the oil, gas and/or liquid hydrocarbons which may be produced from the surface to a depth of 4737 feet, reserved by Aztec Oil & Gas Company, in assignment of operating rights to Lone Star Industries, Inc., dated June 18, 1973, covering the following:

1. Oil and Gas Lease dated April 1, 1968 from the United States of America, as Lessor, to Aztec Oil & Gas Company, as Lessee, (NM 4449) covering the following described lands in Rio Arriba County, New Mexico.

Township 30 North, Range 4 West, N.M.P.M.
Section 23: Lot 1, NW/4 NE/4, S2 NE/4
NW/4, S/2

containing 634.04 acres, more or less,

Subject to the following:

- a. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

20614

Rio Arriba County, New Mexico

An overriding royalty interest of 1/8 of 8/8 in and to the oil, gas and other minerals in and under the following described land in Rio Arriba County, New Mexico.

Township 29 North, Range 5 West, N.M.P.M.

Section 24: Lots 1, 2, 3, 4,
W/2 and W/2 containing 548.52 acres
more or less.

as retained in that certain assignment dated March 28, 1973 by and between Aztec Oil & Gas Company as Assignor, and Lone Star Industries, Inc., as Assignee, insofar as it covers rights from the surface down to a depth of 5912 feet below the surface.

- (a) Subject to Oil and Gas Lease from the United States to Aztec Oil & Gas Company dated April 1, 1968, Serial No. N.M. 4452.
- (b) Farmout Agreement dated October 17, 1972 and as amended October 31, 1972 by and between Aztec Oil & Gas Company and John E. Schalk.

20616

Rio Arriba County, New Mexico

A 12.5% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to the base of the Dakota Formation in and under the following described land in Rio Arriba County, New Mexico:

Township 30 North, Range 5 West
Section 2: Lots 1, 2, S 1/2 NE 1/4, SE 1/4

containing 318.93 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment to Lone Star Industries, Inc., dated January 29, 1973,

Subject to the following:

- a. Oil and Gas Lease, NM 4454, made and entered into as of April 1, 1968, by and between the United States of America, lessor, and Aztec Oil & Gas Company, lessee, recorded in Book 78, Page 10, of the Records of said Rio Arriba County.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

20617

Rio Arriba County, New Mexico

A 12.5% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to the base of the Dakota Formation in and under the following described land in Rio Arriba County, New Mexico:

Township 30 North, Range 5 West
Section 3: Lots 5, 6, 7, 8, S 1/2 N 1/2, NE 1/4 SW 1/4,
NW 1/4 SE 1/4

containing 397.60 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment to Lone Star Industries, Inc., dated January 29, 1973.

Subject to the following:

- a. Oil and Gas Lease NM 4455 made and entered into as of April 1, 1968, by and between the United States of America, lessor, and Aztec Oil & Gas Company, lessee, recorded in Book 78, Page 20, of the Records of said Rio Arriba County.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An overriding royalty of 12.5% in all of the oil, gas and/or liquid hydrocarbons which may be produced from the surface to the base of the Dakota formation, as reserved by Aztec Oil & Gas Company in assignment of operating rights to Lone Star Industries, Inc., dated June 18, 1973 covering the following:

1. Oil and Gas Lease dated April 1, 1968 from the United States of America, as Lessor, to Aztec Oil & Gas Company, as Lessee, (NM 4457) covering the following described lands in San Juan County, New Mexico:

Township 30 North, Range 5 West, N.M.P.M.
Section 12: NW/4, NW/4 NE/4

containing 200.00 acres, more or less,

Subject to the following:

- (a) Communitization Agreement dated June 21, 1973 for dry gas and associated liquid hydrocarbons produced from the Dakota formation.

20621

Rio Arriba County, New Mexico

A 12.5% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to the base of the Dakota Formation in and under the following described land in Rio Arriba County, New Mexico:

Township 32 North, Range 5 West
Section 33: All

containing 640 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment to Lone Star Industries, Inc., dated June 18, 1973;

Subject to the following:

- a. Oil and Gas Lease NM 4462 made and entered into as of April 1, 1968, by and between the United States of America, lessor, and Aztec Oil & Gas Company, lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

A 12.5% overriding royalty interest in and to all oil and gas produced, saved and sold from the surface down to the base of the Dakota Formation in and under the following described land in Rio Arriba County, New Mexico:

Township 32 North, Range 5 West

Section 34: S/2

Section 35: SW/4,

containing 480 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment to Lone Star Industries, Inc. dated June 18, 1973.

Subject to the following:

- a. Oil and Gas Lease NM4463 made and entered into as of April 1, 1968, by and between the United States of America, Lessor, and Aztec Oil & Gas Company, Lessee, recorded in Book 90, Page 693, of the Records of said Rio Arriba County.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

A 1/8 of 8/8 overriding interest in and to all oil, gas and other hydrocarbons produced, saved and sold from the following described land in San Juan County, New Mexico:

Township 32 North, Range 8 West

Section 26: N/2, only as to strata and formations from the surface to the base of the Dakota Formation.

Section 26: S/2, only as to strata and formations from the surface to the depth of 6,418 feet below the surface,

containing 640 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Lone Star Industries, Inc., dated September 25, 1974.

Subject to the following:

- (1) Oil and Gas Lease, NM 6894, made and entered into as of August 1, 1968, by and between the United States of America, Lessor, and Aztec Oil & Gas Company, Lessee, recorded in Book , Page , of the Records of said San Juan County.
- (b) Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

A 12.5% overriding royalty interest in and to all oil, gas and other hydrocarbons produced, saved and sold from the surface down to the depth of 6,607 feet below the surface in and under the following described land in San Juan County, New Mexico:

Township 30 North, Range 14 West
Section 13: W 1/2

containing 320 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Jerome P. McHugh dated February 8, 1972.

Subject to the following:

- a. Oil and Gas Lease, NM 6899, made and entered into as of August 1, 1968, by and between the United States of America, lessor, and Aztec Oil & Gas Company, Lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

1. A 1/16 of 8/8 overriding royalty interest in and to all oil, gas and other hydrocarbons produced, saved and sold from the surface down to the depth of 8,672 feet below the surface in and under the following described land in Rio Arriba County, New Mexico:

Township 29 North, Range 4 West
Section 12: E/2

containing 320 acres, more or less, being the same interest in said land reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Continental Oil Company dated April 23, 1974.

2. A 1/16 of 8/8 overriding royalty interest in and to all oil, gas and other hydrocarbons produced, saved and sold from between the depths of 7,750 feet and 8,672 feet in and under the following described land in Rio Arriba County, New Mexico:

Township 29 North, Range 4 West
Section 1: Lots 3, 4, 10, 11, 14, SW 1/4 NW 1/4, NW 1/4 SW 1/4
Section 13: W/2

containing 563.50 acres, more or less, being the same interest in said depth interval in and under said land reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Continental dated April 23, 1974.

Subject to the following:

- a. Oil and Gas Lease, NM 10431, made and entered into as of October 1, 1949, by and between the United States of America, lessor, and Claudia B. Guerrina, lessee.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements and any and all amendments thereto.

21069

Rio Arriba County, New Mexico

An overriding royalty interest of 1/8 of 8/8 and to the oil, gas and other minerals in and under the following described land in Rio Arriba County, New Mexico:

Township 30 North, Range 5 West, N.M.P.M.
Section 12: NW/4 and NW/4 NE/4 containing
200 acres more or less.

as retained in that certain assignment dated June 18, 1973 by and between Aztec Oil & Gas Company as Assignor and Lone Star Industries, Inc., as Assignee insofar as it covers rights from the surface down to the base of the Dakota Formation.

Subject to:

- a. Oil and Gas Lease from the United States to Aztec Oil & Gas Company, dated April 1, 1968, Serial No. N.M. 4457 and
- b. Communitization Agreement dated June 21, 1973 covering the N/2 Section 12, T-30-N, R-5-W, Rio Arriba County, New Mexico.

21087

San Juan County, New Mexico

An overriding royalty interest of 1/8 of 8/8 of all the oil and 12.5% of all the gas produced when the average monthly gas production is 300 MCF of gas per day and 17% of all the gas produced when the average monthly production is 300 MCF to 499 MCF of the gas per day and 20% of all the gas produced when the average monthly production is more than 499 MCF per day, from the lands described below insofar as said interest covers rights from the surface to 100 feet below depth drilled in the Fair Play Oil Company #1 Michael Well located NW/4 NW/4 Section 13, Township 30 North, Range 11 West.

Township 30 North, Range 11 West, N.M.P.M.
Section 13: NW/4 NW/4, and S/2 NW/4

being the same overriding royalty interest as retained in assignment dated August 10, 1973 by and between Aztec Oil & Gas Company as Assignor and Fair Play Oil & Gas Company, recorded in Volume 721, Page 138.

Subject to:

- a. Oil and Gas Lease dated April 25, 1949 by and between L. L. Hampton as Lessor and Southern Union Production Company as Lessee, recorded Volume 135, Page 339, Records of San Juan County, New Mexico, insofar as it covers the NW/4 NW/4 and S/2 NW/4 Section 13, Township 30 North, Range 11 West.

An undivided 1/4 interest in and to all the oil, gas and other minerals and mineral substances in and under and that may be produced from the following described land in San Juan County, New Mexico:

Township 29 North, Range 10 West
Section 14: NW 1/4 SW 1/4

an conveyed by J.R. Bower, Jr., and Ann Knight Bower, his wife, to Aztec Oil & Gas Company by deed dated June 28, 1966, recorded in Volume 629, Page 124, Records of San Juan County, New Mexico and subject to the following:

- 19527 a. Communitization Agreement dated January 1, 1979, for Mesaverde formation, filed Volume 877, Page 108.
- b. Operating Agreement dated January 1, 1979, Southland Royalty Company, operator.

A 12.5% overriding royalty interest in and to all gas and associated liquid hydrocarbons produced, saved and sold from the Dakota Formation in and under the following described land in San Juan County, New Mexico:

Township 31 North, Range 12 West, N.M.P.M.
Section 5: N 1/2 NW 1/4

containing 78.36 acres, more or less, being the same interest reserved by Aztec Oil & Gas Company in that certain Assignment of Operating Rights to Consolidated Oil & Gas, Inc., dated December 8, 1961, recorded in Book 505, Page 30 of the records of San Juan County, New Mexico.

Subject to the following:

- a. Oil and Gas Lease dated March 27, 1947, made and entered into by and between C.C. Culpepper et al, lessors and E. H. White, lessee, recorded in Book 126, Page 205, of the Records of said San Juan County, and any and all amendments thereto.
- b. Any and all valid and subsisting communitization, pooling and unitization agreements, and any and all amendments thereto.

An overriding royalty interest of 1% of 8/8 in and to the oil, gas and other minerals in and under the following described lands in San Juan County, New Mexico:

Township 29 North, Range 11 West, N.M.P.M.
Section 27: S 1/2 NW 1/4

As retained in that certain assignment by and between Aztec Oil & Gas Company as Assignor and Summit Oil Company, as Assignee dated July 20, 1961 insofar as it covers the above described land and covering rights in the Dakota Formation only.

- a. Subject to Oil and Gas Lease dated August 30, 1946 by and between Joe Mangum and Mamie Mangum, his wife as Lessors, and Southern Union Production Company, as Lessee, recorded in Volume 89, Page 819, of Oil and Gas Records of San Juan County, New Mexico.
- b. Communitization Agreement dated October 23, 1962, for the W/2 Section 27 Township 29 North, Range 11 West, N.M.P.M. for production from the Dakota Formation, recorded Volume 537, Page 40, Records of San Juan County, New Mexico.

An overriding royalty interest of 1% in and to the oil, gas and other minerals that may be produced from the NE/4 NW/4 Section 26, Township 29 North, Range 11 West, San Juan County, New Mexico, as retained in that certain assignment dated July 20, 1961 by and between Aztec Oil & Gas Company as Assignor and Summit Oil Company, as Assignee, as to rights in the Dakota Formation only.

Subjec to:

- a. Oil and Gas Lease dated July 20, 1961 by Joe Mangum, et ux, as Lessors and Southern Union Production Company as Lessee, recorded Book 89, Page 819, Oil and Gas Records of San Juan County, New Mexico and
- b. Unitization Agreement covering the N/2 Section 26, T-29-N, R-11-W, San Juan County, New Mexico for the Dakota Formation.

SCHEDULE B

Attached to and made a part of Net Overriding Royalty Conveyance (San Juan Basin Royalty Trust) from Southland Royalty Company, as Assignor, to The Fort Worth National Bank, as Assignee.

If and to the extent of any conflict or inconsistency between the terms and provisions of this Schedule B and the above Conveyance, the terms and provisions of said Conveyance shall control.

PRODUCTION COSTS

I. Definitions

1. Defined terms used in the Conveyance to which this Schedule B is attached have the same meaning when used herein.
2. "Property" shall mean the Subject Interests and any fixtures and personal property used in Operations.
3. "Operations" shall mean all operations necessary or proper for the development, operation, protection and maintenance of the Property.
4. "Operator" shall mean the Assignor, its successors and assigns.
5. "First Level Supervisors" shall mean those employees whose primary function is the direct supervision of other employees and/or contract labor directly employed on the Property in a field operating capacity.
6. "Technical Employees" shall mean those employees having special and specific engineering, geological or other professional skills, and whose primary function is the handling of specific operating conditions and problems for the benefit of the Property.
7. "Personal Expenses" shall mean travel and other reasonable reimbursable expenses of Assignor's employees.
8. "Material" shall mean personal property, equipment or supplies acquired for use on the Property.
9. "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 ("COPAS").

II. Direct Costs

1. RENTALS AND ROYALTIES.

Royalties burdening the Property which were in existence at the Effective Date and lease rentals.

2. LABOR.

A. (1) Salaries and wages of Operator's field employees directly employed on the Property in the conduct of Operations.

(2) Salaries of First Level Supervisors in the field.

(3) Salaries and wages of Technical Employees directly employed on the Property.

B. Operator's cost of holiday, vacation, sickness and disability benefits and other customary allowances paid to employees whose salaries and wages are chargeable to the Joint Account under Paragraph 2A of this Section II. Such costs 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 under Paragraph 2A of this Section II. 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 costs chargeable under Paragraphs 2A and 2B of this Section II.

D. Personal Expenses of those employees whose salaries and wages are chargeable under Paragraph 2A of this Section II.

3. EMPLOYEE BENEFITS.

Operator's current costs of established plans for employees' group life insurance, hospitalization, pension, retirement, thrift, and other benefit plans of a like nature, applicable to Operator's labor cost chargeable under Paragraphs 2A and 2B of this Section II shall be Operator's actual cost, not to exceed 23% or such higher percentage as may hereafter be recommended by COPAS.

4. MATERIAL.

Material purchased or furnished by Operator for use on the Property as provided under Section IV. Only such Material shall be purchased for or transferred to the Property as may be required for immediate use and is reasonably practical and consistent with efficient and economical operations. The accumulation of surplus stocks shall be avoided.

5. TRANSPORTATION.

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

- A. If Material is moved to the Property from the Operator's warehouse or other properties, no charge shall be made for a distance greater than the distance from the nearest reliable supply store, recognized barge terminal, or railway receiving point where like material is normally available.
- B. If surplus Material is moved to Operator's warehouse or other storage point, no charge shall be made for a distance greater than the distance to the nearest reliable supply store, recognized barge terminal, or railway receiving point. No charge shall be made for moving Material to other properties belonging to Operator.
- C. In the application of Subparagraphs A and B above, there shall be no equalization of actual gross trucking cost of \$200 or less excluding accessorial charges.

6. SERVICES.

The cost of contract services, equipment and utilities provided by outside sources, and the cost of professional consultant services and contract services of technical personnel directly or indirectly engaged in connection with the Property.

7. EQUIPMENT AND FACILITIES FURNISHED BY OPERATOR.

- A. Operator shall charge for use of Operator owned equipment and facilities at rates commensurate with costs of ownership and operations. Such rates shall include costs of maintenance, repairs, other operating expense, insurance, taxes, depreciation, and interest on investment not to exceed

eight percent (8%) per annum. Such rates shall not exceed average commercial rates currently prevailing in the immediate area of the Property.

B. In lieu of charges in Paragraph 7A above, Operator may elect to use average commercial rates prevailing in the immediate area of the Property less 20%. For automotive equipment, Operator may elect to use rates published by the Petroleum Motor Transport Association.

8. DAMAGES AND LOSSES TO PROPERTY.

All costs or expenses necessary for the repair or replacement of Property made necessary because of damages or losses incurred by fire, flood, storm, theft, accident, or other cause, except those resulting from Operator's gross negligence or willful misconduct.

9. LEGAL EXPENSE.

Expense of handling, investigating and settling litigation or claims, discharging of liens, payment of judgments and amounts paid for settlement of claims incurred in or resulting from Operations or necessary to protect or recover the Property and all other legal expense, except that no charge for services of Operator's legal staff shall be made.

10. INSURANCE.

Net premiums paid for insurance carried on the Property or in respect of Operations.

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 in the necessary and proper conduct of Operations.

II. Overhead

1. OVERHEAD--DRILLING AND PRODUCTION OPERATIONS.

A. As compensation for administrative, supervisory, office services and warehousing costs described in Appendix 1 hereto Operator shall charge for drilling and producing operations as follows:

Drilling Well Rate--\$2,000.00 per month.

Producing Well Rate--\$190.00 per month.

- B. Such charge shall be in lieu of costs and expenses of all offices and salaries or wages plus applicable burdens and expenses of all personnel, except those directly chargeable under Paragraph 2A, Section II.
- C. The salaries, wages and Personal Expenses of Technical Employees and/or the cost of professional consultant services and contract services of technical personnel directly employed on the Property shall not be covered by the Overhead rates.
- D. Application of Drilling Well Rate Overhead
- (1) Charges shall begin on the date the 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 suspension of drilling operations for fifteen (15) or more consecutive days.
 - (2) Charges for wells undergoing any type of workover or recompletion for a period of five (5) consecutive days or more shall be made at the drilling well rate. Such charges shall be applied for the period from date workover operations, with rig, commence through date of rig release, except that no charge shall be made during suspension of operations for fifteen (15) or more consecutive days.
- E. Application of Producing Well Rates
- (1) An active well either produced or injected into for any portion of the month shall be considered as a one-well charge for the entire month.
 - (2) Each active completion in a multi-completed well in which production is not commingled down hole shall be considered as a one-well charge providing each completion is considered a separate well by the governing regulatory authority.
 - (3) An inactive gas well shut in because of overproduction or failure of purchaser to take the production shall be considered as a one-well charge providing the gas well is directly connected to a permanent sales outlet.
 - (4) A one-well charge may be made for the month in which plugging and abandonment operations are completed on any well.

(5) All other inactive wells (including but not limited to inactive wells covered by unit allowable, lease allowable, transferred allowable, etc.) shall not qualify for an overhead charge.

F. The overhead rates set in Section III.1.A. hereof shall be adjusted as of the first day of April each year following the Effective Date. The adjustment shall be computed by multiplying the rate then 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 calendar year preceding as shown by the index of average weekly earnings of Crude Petroleum and Gas Fields 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.

2. OVERHEAD--MAJOR CONSTRUCTION

To compensate Operator for overhead costs incurred in the construction and installation of fixed assets, the expansion of fixed assets, and any other project clearly discernible as a fixed asset required for the Operations, Operator shall charge for overhead based on the following rates for any Major Construction project costing in excess of \$25,000:

- A. 8% of total costs if such costs are more than \$25,000 but less than \$100,000; plus
- B. 6% of total costs in excess of \$100,000 but less than \$1,000,000; plus
- C. 4% of total costs in excess of \$1,000,000.

Total cost shall mean the 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 and workover wells shall be excluded.

IV. Pricing of Material Purchases, Transfers and Adjustments

Operator shall be the owner of all Material but shall make proper and timely charges and adjustments constituting exclusions to Production Costs for all material movements affecting the Property.

1. PURCHASES.

Material purchased shall be charged at the price paid by Operator after deduction of all discounts received. In case of Material found to be defective or returned to vendor for any other reason, credit shall be allowed when adjustment has been received by the Operator.

2. TRANSFERS.

Material furnished to the Property shall be priced on the following bases exclusive of cash discounts:

A. New Material (Condition A)

- (1) Tubular goods, except line pipe, shall be priced at the current new price in effect on date of movement on a maximum carload or barge load weight basis, regardless of quantity transferred, equalized to the lowest published price f.o.b. railway receiving point or recognized barge terminal nearest the Property where such Material is normally available.
- (2) Line Pipe
 - (a) Movement of less than 30,000 pounds shall be priced at the current new price, in effect at date of movement, as listed by a reliable supply store nearest the Property where such Material is normally available.
 - (b) Movement of 30,000 pounds or more shall be priced under provisions of tubular goods pricing in Paragraph 2A (1) of this Section IV.
- (3) Other Material shall be priced at the current new price, in effect at date of movement, as listed by a reliable supply store or f.o.b. railway receiving point nearest the Property where such Material is normally available.

B. Good Used Material (Condition B)

Material in sound and serviceable condition and suitable for reuse without reconditioning:

- (1) Material moved to the Property
 - (a) At seventy-five percent (75%) of current new price, as determined by Paragraph 2A of this Section IV.

- (2) Material moved from the Property
 - (b) At seventy-five percent (75%) of current new price, as determined by Paragraph 2A of this Section IV, if Material was originally charged as new Material, or
 - (c) At sixty-five (65%) of current new price, as determined by Paragraph 2A of this Section IV, if Material was originally charged as good used Material at seventy-five percent (75%) of current new price.

The cost of reconditioning, if any, shall be absorbed by the transferring property.

C. Other Used Material (Condition C and D)

(1) Condition C

Material which is not in sound and serviceable condition and not suitable for its original function until after reconditioning shall be priced at fifty percent (50%) of current new price as determined by Paragraph 2A of this Section IV. The cost of reconditioning shall be charged to the receiving property, provided Condition C value plus cost of reconditioning does not exceed Condition B value.

(2) Condition D

All other Material, including junk, shall be priced at a value commensurate with its use or at prevailing prices. 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.

D. Pricing Conditions

- (1) Loading and unloading costs may be charged at the rate of fifteen cents (15¢) per hundred weight on all tubular goods movements, in lieu of loading and unloading costs sustained, when actual hauling cost of such tubular goods are equalized under provisions of Paragraph 5 of Section II.
- (2) 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 published or listed prices because of national emergencies, strikes or other unusual causes over which the Operator has no control, the Operator may charge for the required Material at the Operator's actual cost incurred in providing such Material, in making it suitable for use, and in moving it to the Property.

4. WARRANTY OF MATERIAL FURNISHED BY OPERATOR.

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

APPENDIX 1

TO

SCHEDULE B

The following reflects a representative abridged listing of the functions and services which shall be considered as included in and covered by the overhead rates covered in Section III of Schedule B, and should serve as a guide for similar functions and services intended to be covered by such overhead rates even though some of the functions may be contract services performed by third parties.

A. Salaries, Benefits and Related Costs of Field,
Area and/or District

Managers and/or Superintendents

Foremen--Superintendent

Drilling--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

Production--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

Construction--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

Production Engineers--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

Production Geologists--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

Other Technical Employees--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

Office Stenographers

Office Clerks

Time Keeping

Preparation of Automotive and Other
Vehicle Reports

Local Purchasing (Field Orders)

Preparation and Coding of Invoices

Preparation of Material Requisitions

Preparation of Field Transfers

Preparation of Field Receiving Reports

Posting of Production Reports

Preparation of Over and Short Reports

Reading and Integration of Charts

Preparation of Field Gas Production and
Consumption Report

Preparation of Field Office Reports to
State and Federal Regulatory Bodies
Miscellaneous Routine Field Office Clerical
Duties
Field Office Inventory Men
Conducting Physical Inventories
Preparation of Field Inventory Records
Warehousemen and/or Clerks

Office Equipment, Supplies, Stationery and Forms
Maps, Photostats and Blueprints, when required
for general District use.

Rentals

Rentals paid for buildings, office and
storage space used by District employees.
Rentals paid in connection with sites for
District production offices, camps, ware-
houses and other facilities used specific-
ally for District purposes.

Ad Valorem Taxes

Taxes paid on buildings and equipment charged
to Operator's Field, Area, and/or District
accounts.

Insurance

Net cost of all types of insurance, including
workmen's compensation and public liability
insurance; when such insurance is applicable
to the District.

B. General Management

General Operating Administration

Drilling Managers and/or Superintendents
and Office Staffs

Production Managers and/or Superintendents
and Office Staffs

Civil Engineers--(Except when permitted as
a direct charge under Para. 2.A, Sec. II)

Reservoir Analysis and Engineering

Petroleum Engineers--(Except when per-
mitted as a direct charge under Para.
2.A, Sec. II)

Negotiation of Production and Residue
Gas Sales

Negotiation of Gas Sales

Preparation and Negotiation of Joint
Operation Agreements

Preparation of General Production Records

Traveling and Transportation Expense of
Home, Division, Area, Region, or similar
Administrative Office Employees

General Accounting and Services

Checking of Invoices
Preparation of Paychecks
Responsibility of Account Distribution
or Coding
Payment of Vendor's Invoices
Maintaining Property Investment Records
Maintaining Joint Interest Cost Records
Preparation of Joint Interest Billing
Preparation of Royalty Checks
Machine Accounting and Data Processing
Functions
Photostat and Other Reproduction Service
Ad Valorem Tax Service and/or Counsel
Systems and Procedures
Internal Auditing

Communications Expense--Telephone, telegraph
and teletype service rendered to the District;
also operating expenses of radio communication
systems which serve the District and which are
not chargeable to any particular lease or
facility operation. The costs applicable to
communication service and/or equipment directly
employed on and serving the Property shall
be a direct charge to the Property.

Area and/or District Office Utility Services
Safety Meetings and/or Dinners
Area and/or District Office Safety Equipment
First Aid Supplies

Physical and Medical Examinations--Cost of
pre-employment and medical examinations of
personnel to be employed in the District,
including costs of annual or periodic ex-
aminations and immunizations.

Transportation, including freight and express
costs when such costs are incurred directly
in the operation and/or maintenance of
District offices, buildings, and facilities.

Traveling Expense of District employees when
such expense is for the sole benefit of
the District. Traveling and personal ex-
penses of District employees attending oil
shows, API meetings, and for company train-
ing schools, which are for the primary bene-
fit of the Operator shall be borne solely
by the Operator.

Moving Expenses--Costs of moving and transfer
of District employees including relocation

expenses such as real estate fees, closing costs, compensation for loss on sale of home, carpeting and draperies when transferred within or into the District. Costs incurred for the primary benefit of the Operator, such as transfer of trainees, shall be borne solely by the Operator.

Memberships, Dues and Subscriptions for Field, Area and/or District Personnel

Depreciation on Operator's wholly-owned Field, Area and/or District production offices, equipment, buildings, camps, roads, fences, etc., used for District purposes.

Repair and Maintenance on Operator's wholly-owned Field, Area, and/or District production offices, equipment, buildings, camps, roads, fences, etc. including the cost of small tools and supplies used specifically for District purposes.

Warehouse--wholly-owned

Depreciation

Operating and Maintenance Expense Cost of Storing and Handling Material

Title Record and Division Order Administration

Landmen and Titlemen

Maintenance of Division of Interest

Records Obtaining Royalty Signatures

Exploration Administration

Geologists--(Except when permitted as a direct charge under Para. 2.A, Sec. II)

General Research

Geophysicists

General Purchasing Administration

Industrial and Public Relation Administration

Employee Relation Counselor

Safety Engineer

Industrial Nurse and/or Doctor Safety

Awards

Incentive Awards

Contributions to Charity and/or Civic

Organizations

Special Investigators

Administration of Benefit Plans

General Oil and Gas Well Proration and Pricing Administration Preparation of Reports to and Representation before Governmental Agencies

General Legal Counsel (to the extent performed
by Operator's legal staff)
Preparation of Contracts
Title and Other Opinions

Transportation and Traffic Administration

Insurance Administration