

Mc # TX 260

UNIT OPERATION AGREEMENT

FOR

CANYON REEF POOL

OF

KELLY-SNYDER FIELD AND DIAMOND "M" FIELD,

SCURRY COUNTY, TEXAS.

3-1-52

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**UNIT OPERATION AGREEMENT
FOR
CANYON REEF POOL OF
KELLY-SNYDER FIELD AND DIAMOND "M" FIELD,
SCURRY COUNTY, TEXAS.**

THIS AGREEMENT, made and entered into this First day of March, 1952, by and between the Lessees in the Unit Area of the Kelly-Snyder Field and the Diamond "M" Field, Scurry County, Texas, that execute this agreement,

WITNESSETH:

WHEREAS, the parties hereto own working interests in the Kelly-Snyder Field and the Diamond "M" Field, Scurry County, Texas, on which numerous wells have been drilled and completed for production from the Canyon Reef formation underlying said fields; and

WHEREAS, for the purpose of more efficiently developing, producing and operating the Unit Area and in order to prevent surface and underground waste, and for the purpose of obtaining the greatest ultimate recovery of production and of promoting conservation, and in order to afford to each of the parties to this agreement the right to recover his fair and equitable share of the production or the proceeds thereof, it is deemed in the best interests of the parties hereto, and of the public, that the Unit Area be developed, produced and operated as a single unit, and that a system for regulating the pressure in the reservoir and for obtaining the greatest amount of recovery from the reservoir be installed and operated for the Unit Area as a whole, all as hereinafter provided;

THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, and of the mutual benefits to be derived from this agreement, the parties hereto agree as follows:

I.

DEFINITIONS

For the purpose of this agreement, the following terms and expressions as used herein shall mean:

1. **UNIT AREA** is defined to mean the Canyon Reef lying within the area outlined by the red broken line on the plat attached hereto, made a part hereof, and marked *Exhibit "A"*, and also described on *Exhibit "B"* attached hereto and made a part hereof, that is qualified for admission as provided in Article XIV herein. The Unit Area is subject to enlargement or contraction as hereinafter provided. "Original outer limits for the Unit Area" shall mean said red broken line prior to any enlargement. "Outer limits for the Unit Area" shall mean said red broken line and any enlargement thereof.
2. **CANYON REEF** is defined as the fossiliferous limestone formation lying within the Unit Area, the top of which is found in the Standard Oil Company of Texas Jessie Brown 2 No. 5 well, indicated on the Schlumberger electrical log of said well to

be at a depth of 6242 feet below the Kelly bushing at the surface of said well; and the top of which also is found in the Tide Water Associated Oil Company Claud Miller No. 5 well, indicated on the Schlumberger electrical log of said well to be at a depth of 6293 feet below the Kelly bushing at the surface of said well; and the top of which also is found in the Lion Oil Company C. T. McLaughlin No. 45 well, indicated on the Schlumberger electrical log of said well to be at a depth of 6607 feet below the Kelly bushing at the surface of said well; and the top of which also is found in the Humble Oil & Refining Company Gilbert Richter No. 5 well, indicated on the Schlumberger electrical log of said well to be at a depth of 6530 feet below the Kelly bushing at the surface of said well.

3. **PRODUCTION** is defined to mean oil and gas contained in or produced from the Unit Area.
4. **GAS** shall mean that part of production from the Unit Area produced at the well separator, heater-treater, or stock tanks in a gaseous form and shall include all residue gas remaining after the casinghead gas from the Unit Area has been processed in a casinghead gasoline plant.
5. **OIL** shall mean that part of production from the Unit Area produced at the separator, heater-treater, or stock tank, in liquid form and which is not gas.
6. **EXTRANEIOUS GAS** shall mean gas produced from any formation other than the Unit Area.
7. **GROSS ACRE FOOT** shall mean 43,560 cubic feet of Canyon Reef formation lying above the water table in the Unit Area.
8. **WATER TABLE** is defined as the elevation of the original oil-water contact contoured on the first appearance of water in the Canyon Reef.
9. **WORKING INTEREST** is defined as the right to search for, produce and acquire production from any part of the Unit Area, whether held as an incident to ownership of the fee simple title or under an oil and gas lease, or otherwise held.
10. **LESSEE** shall mean the owner of a working interest that is a party to this agreement.
11. **ROYALTY INTEREST OR ROYALTY** is defined as any interest, other than a working interest, in or right to receive a portion of production or the proceeds thereof from any part of the Unit Area, and includes the royalty interest reserved to the lessor by an oil and gas lease and any overriding royalty interest, oil payment interest or other payment out of, or burden on a lease which does not carry with it the right to search for and produce production. If the right to search for and produce production from any part of the Unit Area is held free of an oil and gas lease by a party that executes this agreement, such right shall be deemed a royalty interest as to one-eighth ($1/8$) of the production accruing thereto and a working interest as to the seven-eighths ($7/8$) of the production accruing thereto.
12. **ROYALTY OWNER** shall mean the owner of a royalty interest.
13. **UNIT MANAGER** shall mean the person employed to direct the pressure regulation, to handle the central accounting, and to carry out other duties for the unit operation as hereinafter set forth.
14. **SEGMENT OPERATORS** shall mean the parties hereinafter designated to carry on the producing operations in the segments of the Unit Area as hereinafter designated.

15. NON-OPERATORS shall mean all lessees who execute this agreement other than Unit Manager and the Segment Operators.
16. NUMBERED TRACT is defined as, a tract of land within the Unit Area on which any one or more of Lessees own the rights to search for and produce production, and upon which the working interest and royalty is owned in the same undivided proportions throughout the entire tract. This shall cover each tract upon which the royalty has been pooled by the joinder of the owners of separate contiguous tracts in one lease, each tract on which the royalty has been pooled through voluntary agreement of the parties, and each tract upon which the royalty has been pooled by operation of law or otherwise. It shall also include each tract originally included in an oil and gas lease covering other land also but which has been separated through separate conveyance of the working interest or royalty into lesser tracts. Where only a part of the land covered by any oil and gas lease, assignment or conveyance is within the Unit Area, only the part thereof within the Unit Area shall be considered as a "Numbered Tract". The Numbered Tracts herein are enumerated and described on *Exhibit "C"* attached hereto, and are shown on the plat attached hereto and marked *Exhibit "A"*. Should any Numbered Tract become further divided then in the absence of an agreement between the parties interested in said tract fixing the ownership of the production or proceeds allocated to such tract, the production or proceeds allocated to such tract shall continue to be allocated to it as a unit and divided among, or paid to the owners of interests therein in proportion to their respective interests on a surface acreage basis.
17. A PRODUCING WELL is defined as an oil well producing from the Canyon Reef which is making, or capable of making an average of fifty (50) barrels of stock tank oil per 24-hour day for four consecutive days by any means of producing, that is, by flowing, pumping, or any other generally practiced method of producing in this Canyon Reef pool. If a well is making, or capable of making less than an average of fifty (50) barrels per day for said 4-day period, then the well shall be considered a producing well but, credit to the Numbered Tract on which the well is located shall, as to such well, be proportionately reduced, e.g., if a well on a 4-day test is making, or capable of making only an average of 25 barrels per day, then credit in the participation formula for said well shall be allowed only for one-half of a well. Furthermore, any well which is, at the time this agreement becomes effective as to the tract upon which that well is located, being used (1) for the production of water used in maintaining pressure in the Canyon Reef, or (2) for injecting gas, water or other substance into the Canyon Reef for maintaining pressure, or for experimental purposes, and which, at that time, has a daily allowable of oil from the Canyon Reef assigned to it by the Railroad Commission of Texas, which allowable is permitted by the Commission to be produced from the Canyon Reef through another well or other wells, shall be deemed to be a producing well within the provisions of this Section 17. If the daily allowable so assigned to that well is 50 barrels or more of oil that particular well shall have the value of one producing well. If such daily allowable of oil for such a well is less than 50 barrels, the value of the well as a producing well shall be reduced proportionately.
18. PRESSURE REGULATION is defined to mean the injection of fresh water, salt water, gas, extraneous gas, and other substances into the Canyon Reef under pressure and the control of the reservoir and the producing of the wells in the Canyon Reef on a pool-wide basis for the purpose of conserving and increasing the recovery

of oil and gas, and shall include all operations known as secondary recovery operations, cycling, recycling, repressuring, water flooding, and pressure maintenance, and other operations designed for a similar purpose.

19. ROYALTY UNITIZATION AGREEMENT is the agreement entitled "Royalty Unitization Agreement, Canyon Reef Pool of Kelly-Snyder Field and Diamond "M" Field, Scurry County, Texas," dated March 1, 1952.
20. EFFECTIVE DATE shall mean the first day of the second calendar month succeeding the execution of this agreement by the owners of as much as 75 per cent of the working interest and the execution of the Royalty Unitization Agreement by the owners of as much as 65 per cent of the royalty and the approval of this agreement by the Texas Railroad Commission, in the manner specified in Article XIV herein.

II.

UNITIZATION

On and after the Effective Date of this agreement, the rights of the several Lessees to search for and to produce production from Numbered Tracts within the Unit Area, and the production contained in and the production that is produced from the Unit Area are hereby unitized and pooled for developing, operating, producing and pressure regulation purposes, it being the intention of the parties that each Lessee, by virtue of its interest in a Numbered Tract or Tracts within the Unit Area, shall be entitled to receive its participation percentage of the production from the Unit Area as a whole. On and after the effective Date of this agreement all separately owned tracts of the parties hereto within the Unit Area shall be developed and operated without respect to their separate boundary lines and on a pool-unit basis, and all operations for drilling, producing, and all other operations on the Unit Area, or any part thereof, shall be considered as operations on each and every tract of the parties hereto within the Unit Area for all purposes, and all production obtained shall be considered as being obtained from each and every tract of the parties hereto in the Unit Area.

III.

BASIS OF PARTICIPATION

1. FORMULA AND ALLOCATION TO NUMBERED TRACTS

There is attached hereto and made a part hereof, *Exhibit "C"*, upon which is listed and described the Numbered Tracts within the original outer limits for the Unit Area, and *Exhibit "D"*, upon which each of said Numbered Tracts is listed by number, and opposite each number is shown the gross acre feet of Canyon Reef above the water table, the number of producing wells, and the percentage in which said tract participates with all other tracts within said original outer limits, all computed as of October 20, 1951, in accordance with the following participation formula, which is hereby adopted:

The participation of each Numbered Tract in the Unit Area shall be based seventy-five per cent (75%) on the proportion expressed in percentage that the gross acre feet of Canyon Reef above the water table underlying said tract bears to the gross acre feet of Canyon Reef above the water table under the

Unit Area as a whole; and twenty-five per cent (25%) on the proportion expressed in percentage that the number of producing wells producing from the Canyon Reef on said tract bears to the total number of producing wells producing from the Canyon Reef in the Unit Area; e.g., if a tract has one per cent (1%) of the producing wells and one and two-tenths per cent (1.2%) of the gross acre feet, then the tract's participation in the entire Unit Area shall be one and fifteen hundredths per cent (1.15%).

The proportion expressed in percentage that each Numbered Tract admitted to the Unit bears to all other Numbered Tracts admitted to the Unit, based on *Exhibit "D"* and the application of the above formula as provided herein, shall be called hereinafter the "participation percentage". Except for correcting mistakes in the manner provided in this Section 1 of Article III, neither the number of producing wells nor the amount of gross acre feet of Canyon Reef above the water table for any Numbered Tract as set out on *Exhibit "D"* ever shall be reduced, notwithstanding the provisions of this agreement hereinafter for adjustment of participation percentages.

As to each Numbered Tract the percentage of participation attributed to said Tract shall be shared by the owners in the Tract in accordance with their respective contractual rights. The description, shape and extent of each of the Numbered Tracts as set out in *Exhibit "C"* and the respective undivided royalty ownerships under each of said Tracts have been determined with the use of the information supplied by the parties hereto. In the event it is determined later that a mistake has been made by including land in a Numbered Tract that should be in a separate Numbered Tract or by including land in two or more Numbered Tracts that should be included in one Numbered Tract, Unit Manager is authorized to make a correction of the mistake by dividing or revising the boundaries of any Numbered Tract or Tracts as shown on *Exhibits "A" and "C"* to reflect the true facts, and all appropriate adjustments shall be made on account of such correction. In the event it is discovered later that a mistake has been made in mathematics in the computation of participation percentages, such as a mistake in addition, subtraction, multiplication, or other mathematical process, or such as the inadvertent transposition of figures, Unit Manager is authorized to make a correction of the mistake and all appropriate adjustments shall be made on account of such correction.

If, on the Effective Date, any of the Numbered Tracts within the outer limits for the Unit Area are not qualified for admission to this agreement, then said Tracts shall not be admitted to, and shall not be considered a part of the Unit Area. Any such Tracts that have not been admitted may be admitted, when qualified, in the manner hereinafter provided. The outer limits for the Unit Area may be extended and the qualified tracts therein may be admitted to the Unit, after the Effective Date, in the manner hereinafter provided.

2. UNIT AREA AND PARTICIPATION PERCENTAGES ON EFFECTIVE DATE

As of the Effective Date an enlargement of the original outer limits for the Unit Area and a recomputation of the participation percentages of the Numbered Tracts admitted to the Unit shall be made, if justified, as follows:

Only Numbered Tracts qualified pursuant to the provisions of Article XIV herein shall be admitted into the Unit. Acreage outside of the original outer limits for the Unit Area that is admitted shall consist only of each proration unit established

by the Railroad Commission of Texas upon which a producing well has been completed, and which is otherwise qualified as provided herein; provided that at any time before the Effective Date any lessee, as to its proration unit or units lying along the original outer limits for the Unit Area, may have said proration unit or units reformed by the Railroad Commission of Texas to include tolerance acreage productive in the Canyon Reef that lies outside of the original outer limits for the Unit Area, and such tolerance acreage shall be included in the Unit Area on the Effective Date.

In the computation of the gross acre feet of Canyon Reef above the water table for each Numbered Tract as set out in *Exhibit "D"*, certain maps and data approved by the SACROC Engineering Committee have been used, namely: (a) A map prepared by the Unitization Subcommittee of said Engineering Committee showing the original Canyon Reef oil-water contact contoured on the first appearance of water as of October 20, 1951; (b) A tabulation prepared by said Subcommittee showing the subsea stratigraphic top of the Canyon Reef, included in a report of said Subcommittee dated November 23, 1951; and (c) A base map prepared by Louis Lenz, Registered Professional Engineer in the State of Texas. At any time on or before the Effective Date any lessee shall have the right to submit to said Engineering Committee any evidence that it desires to submit showing that the oil-water contact on its Numbered Tract or Tracts contoured on the first appearance of water is lower than that shown on said October 20, 1951 computation as of said date, or showing that the subsea stratigraphic top of the Canyon Reef on its Numbered Tract or Tracts is higher than that shown on said Subcommittee report, or showing that its acreage is greater than that shown on said base map. Said Engineering Committee is authorized to increase the gross acre feet of Canyon Reef above the water table for the tract or tracts affected by such additional evidence if it finds that such increase is justified by said evidence, but said Engineering Committee is not authorized to decrease the gross acre feet of Canyon Reef above the water table as shown on *Exhibit "D"* for any tract, and such increase or increases shall be taken into consideration by the engineering firm hereinafter mentioned in recomputing the participation percentages as of the Effective Date. After the Effective Date no increase (except to correct mistakes in the manner provided in Section 1 of this Article III) ever shall be made in the gross acre feet of Canyon Reef above the water table for any tract included within the outer limits for the Unit Area as such outer limits existed as of the Effective Date.

In the computation of the number of producing wells on each tract as set out on *Exhibit "D"*, the SACROC Engineering Committee has used the data compiled by the Texas Railroad Commission as a result of tests conducted pursuant to the order of said Commission dated September 12, 1951, providing for tests of all wells in this pool on or before October 20, 1951. At any time on or before the Effective Date any lessee shall have the right to submit to said Engineering Committee any evidence that it desires to submit showing that any of its well or wells that have not been given credit as full producing well or wells actually can meet tests equal to the tests required by said Commission under its September 12, 1951 order and qualify for full credit or greater credit as producing wells. Said Engineering Committee is authorized to increase the credit for any well or wells if it finds that such increase is justified by additional test or tests and by such additional evidence, and such increased credit shall be taken into consideration by the engineering firm hereinafter mentioned in recomputing the participation percentages as of the Effective

Date. After the Effective Date no increases (except to correct mistakes in the manner provided in Section 1 of this Article III) shall be made in the well credit or credits for any well or wells situated within the outer limits for the Unit Area as such outer limits existed as of the Effective Date. All wells tested after October 20, 1951 to determine whether they are producing wells shall be tested under the supervision of the Engineering Committee on tests equal to the tests for the wells drilled prior to October 20, 1951, and no tests for qualification as producing wells shall be made for any of said wells drilled after October 20, 1951 until at least thirty (30) days after the completion of said wells. The tests thus made shall establish permanently the well credit for said wells completed after October 20, 1951.

In the computation of the gross acre feet of Canyon Reef above the water table, the number of producing wells, and the participation percentage of each Numbered Tract within the original outer limits for the Unit Area set out on *Exhibit "D"*, the parties hereto have been assisted by the firm of DeGolyer & MacNaughton of Dallas, Texas. If said firm or any successor firm ever should fail or refuse to act, the Advisory Committee shall appoint a successor engineering firm.

As soon as practical after the Effective Date, Unit Manager shall prepare: (1) A list of all producing wells that have been completed within the original outer limits for the Unit Area between October 20, 1951 and the Effective Date, and a list of all tolerance acreage outside of the original outer limits for the Unit Area that has been assigned to proration units within said original outer limits; and (2), a list showing all producing wells that have been drilled on land outside of and touching the original outer limits for the Unit Area with a description of each proration unit upon which each of said wells is located; and (3), a list showing the Numbered Tracts within the original outer limits for the Unit Area that have been qualified for admission to the Unit and a list of the Numbered Tracts (numbered appropriately by the Unit Manager) outside of, and touching said original outer limits that are qualified for admission to the Unit; and (4), a report by the SACROC Engineering Committee as to the well tests conducted under its supervision after October 20, 1951 and as to any increases in the gross acre feet and changes in the well credit computations made by said Committee as a result of additional evidence submitted to it between October 20, 1951 and the Effective Date. Said lists and report shall be submitted to the Advisory Committee for approval and upon approval shall be submitted to said firm. Said firm is authorized and directed to extend the original outer limits for the Unit Area to include tolerance acreage assigned to proration units lying along said original outer limits and to include each of the proration units upon which a producing well has been drilled outside of, and touching the original outer limits for the Unit Area that is qualified for admission. Said firm also is authorized and directed to give credit to each Numbered Tract within the original outer limits for the Unit Area for all additional producing wells that have been completed on said tract between October 20, 1951 and the Effective Date. Said firm further is authorized and directed to make such increases of gross acre feet of Canyon Reef above the water table and to give such well credits for each Numbered Tract affected that is required by the report of said Engineering Committee. Said firm shall then compute the participation percentage of each Numbered Tract admitted to and within the enlarged Unit Area as of the Effective Date, which computation shall be based upon the information supplied to said firm by Unit Manager as to the Numbered Tracts that have been admitted to the enlarged Unit Area, upon the gross acre feet of Canyon Reef above the water table for all

said Numbered Tracts within the original outer limits for the Unit Area as shown on *Exhibit "D"*, upon the number of producing wells on each Numbered Tract within the original outer limits for the Unit Area as shown on *Exhibit "D"* supplemented by the above information supplied by Unit Manager as to additional producing wells completed between October 20, 1951 and the Effective Date, upon said report of said Engineering Committee, and upon application of the above formula. In said computation said firm shall describe the outer limits for the Unit Area as extended, shall list and describe each Numbered Tract admitted to the Unit, and shall set out the participation percentage allocated to such tract, shall sign a certificate of such computation, and shall deliver it to Unit Manager. Said extension of the outer limits for the Unit Area and computation of participation percentages shall be binding upon all parties hereto. A true copy of said computation shall be mailed promptly after it is made by Unit Manager to all parties hereto, and Unit Manager shall make and file a certificate of said computation in the records of Scurry County, Texas.

3. EXTENSION OF UNIT AREA AND ADMISSION OF ADDED NUMBERED TRACTS WITHIN OUTER LIMITS FOR THE UNIT AREA AFTER EFFECTIVE DATE

A. *Numbered Tracts Admitted Six Months After Effective Date.*

Additional tracts qualified for admission to the Unit under Article XIV shall be admitted to the Unit on the same basis as qualified tracts admitted to the Unit as of the Effective Date if said tracts be thus qualified on or before the expiration of six months after the Effective Date (herein called the "six months date"). Said tracts shall be taken into the Unit in the following manner: The additional acreage to be admitted may consist of either qualified Numbered Tracts within the outer limits for the Unit Area that have not been qualified previously for admission, or additional qualified acreage outside of and touching the outer limits for the Unit Area as such outer limits existed as of the Effective Date. As of said six months date, Unit Manager, as to any additional acreage that has been qualified for admission into the Unit since the Effective Date, shall prepare:

(1) A list showing all Numbered Tracts within the outer limits for the Unit Area that have been qualified for admission during said six months period, and a list of the number of producing wells on each of said Numbered Tracts as of the six months date, and (2) a list showing all producing wells that have been drilled on land outside of and touching the outer limits for the Unit Area, said wells having been tested during the six months period, and a description of each proration unit upon which each of said wells is located, and an appropriate enumeration of the tracts. Said lists shall then be submitted to the Advisory Committee for approval, and upon approval shall be submitted to the above mentioned firm. Said firm is directed and authorized to extend, as of the six months date, the outer limits for the Unit Area to include each of the qualified proration units upon which a producing well has been drilled outside of and touching the outer limits for the Unit Area. Said firm also is authorized and directed to recompute, as of said six months date, the participation percentages of all Numbered Tracts within the Unit Area as thus extended, including the tracts in Lists 1 and 2 added, in the same manner as that followed in computing the participation percentages on the Effective Date, and said firm shall then make and execute a certificate of said extension and recomputation and shall deliver the

same to Unit Manager. Said extension and recomputation shall be binding upon all parties hereto. A true copy of said extension and recomputation shall be mailed promptly by Unit Manager to all parties hereto, and Unit Manager shall make and file a certificate of such extension and recomputation in the records of Scurry County, Texas.

As to tracts that qualify for admission to the Unit within the period of six months after the Effective Date, the parties owning the acreage in said tracts shall be entitled, as of the six months date, to participate in the production from the Unit Area in proportion to their respective participation percentages, shall contribute the exclusive use of their wells and information, shall be credited with the value of their lease and operating equipment as provided in Article IV herein, and shall be charged for their participation percentages of all of the value of all lease and operating equipment and of all structures taken over by the Unit and all the cost of all equipment and structures and other property acquired for the Unit since the Effective Date, but shall not be charged for any operating expenses until such six months date, after which said party or parties shall be charged with their respective participation percentages of all costs and expenses, both of operation and investment and otherwise.

B. Admission of Added Numbered Tracts After Six Months Date.

After the six months date the owners of all other acreage within the outer limits for the Unit Area that has not been admitted previously and the owners of all other acreage producing from the same Canyon Reef pool that is outside of and touching the outer limits for the Unit Area shall have the right to apply for admission to the Unit as to their tracts that are qualified pursuant to the provisions of Article XIV herein, but the basis of admission to the Unit and the participation in the Unit of said tracts shall be only on a negotiated basis that is fair and equitable and that is approved in writing by the owners of seventy-five per cent (75%) of the working interest participation percentage as of the date of admission of said additional acreage to the Unit.

4. GENERAL PROVISIONS

If any tract added to the Unit Area by extension thereof has the same undivided working interest ownership and the same undivided royalty interest ownership as a Numbered Tract already admitted to the Unit Area, then said added tract shall be included in said Numbered Tract if it touches said tract, and the participation percentage of said Numbered Tract shall be adjusted accordingly.

If a tract or tracts outside of the original outer limits for the Unit Area or the outer limits for the Unit Area does not touch said limits but is separated therefrom by other tract or tracts, and if all such intervening tracts are brought into the Unit Area; then said tract or tracts, if qualified for admission, may be taken into the Unit Area at the same time.

IV.

WELLS AND LEASEHOLD EQUIPMENT

As of the Effective Date hereof, each of the parties hereto does hereby contribute to the Unit the exclusive use for all purposes of all of the wells that it has drilled on the Unit Area and all information, or true copies thereof, that it has obtained in connection with the

drilling, testing, completing and operating of said wells, such as drillers logs, electrical logs, records of coring, testing and special work of every nature, laboratory analyses, records of the amount of production obtained, and all other information pertinent to the wells and leases of the parties hereto.

As of the Effective Date hereof, all lease and other operating equipment (exclusive of warehouses, lease houses, camps and office buildings) used in the operation of wells taken over by the Unit, including by way of example, but not thereby excluding other equipment of a like or different kind, casing and tubing in the wells, derricks, tank batteries, separators, rods, pumps, flow lines, water lines, gas lines, etc., shall be delivered to and taken over by the Unit, it being the intent hereof that the aforesaid equipment shall be delivered and taken over separate and apart from the unitization of the working interests and production effected under Article II hereof. All equipment not so taken over shall remain the separate property of the several owners thereof. The acquisition of existing warehouses, lease houses, camps, or office buildings considered desirable to the operation and development of the Unit Area shall be by negotiation and separate contract of purchase with the owner or owners of such warehouses, lease houses, camps and office buildings.

An accounting for the lease and operating equipment, as defined in this Article IV, so transferred to, and taken over by the Unit shall be had as between the owners thereof and all parties hereto on the basis of the value thereof, determined as follows:

- (a) Tubular goods (2" and over), valves and fittings (2" and over), machinery and other equipment, in sound and serviceable condition shall be valued at 75 per cent of the price of new materials of like kind.
- (b) Tanks, derricks, buildings and other equipment involving erection costs shall be valued at not more than 75 per cent of knocked down new prices for the materials comprised therein.
- (c) Other materials, machinery and equipment in serviceable condition but requiring repair and reconditioning shall be valued at 50 per cent of new prices for like materials.
- (d) For the purposes of said valuation, the prices of new materials shall be determined on the basis of prices prevailing on the Effective Date at the nearest reliable supply stores or f.o.b. railway receiving point.

The Advisory Committee shall appoint an Inventory Committee for the purpose of making an inventory of the physical property contributed to the Unit, as stated above, and all parties hereto, upon request by the Inventory Committee, shall submit to the Inventory Committee promptly a complete statement and inventory of all of said parties' property delivered to the Unit and the condition at the time. Said Inventory Committee shall take promptly an inventory of all of said property and check the same against the statements and the books and records of the parties hereto, and accordingly shall determine the value of said property on the basis above set forth and shall make a report thereof to the Advisory Committee.

Upon approval of the Inventory Committee's report by the Advisory Committee, each Lessee then shall be charged for the value of all property (exclusive of wells and information) delivered to, and taken over by the Unit in proportion to its participation percentage, and it shall be credited with the value of all property (exclusive of wells and information) contributed by it to the Unit. Each Lessee that has contributed less than its share thus computed shall pay to Unit Manager promptly in cash the balance chargeable against it, and Unit Manager shall distribute said balances to the Lessees that have contributed more than their share of the value of said property, in proportion to their excess contributions.

V.

MANAGEMENT

1. OPERATORS COMMITTEE

Each party that executes this agreement shall be a member of the Operators Committee. The Operators Committee shall hold an organization meeting on the first Tuesday of the third calendar month succeeding the Effective Date of this agreement at a place and hour designated by the Advisory Committee, and at that time a Chairman and a Secretary of the Operators Committee to serve until the first annual meeting shall be elected from among the parties in attendance. At the organization meeting the Advisory Committee shall make a report of the organization that has been set up for operating the Unit and of the plans that have been developed for the unit operation. The Operators Committee shall hold an annual meeting on the first Tuesday in March of each calendar year succeeding the year in which the organization meeting was held, at the hour and place designated by the Chairman of the Operators Committee, and at that time shall elect a Chairman and a Secretary to serve until the next annual meeting, and shall receive a report of the Advisory Committee of the progress of all unit operations and shall consider all matters that may be submitted to it by the Advisory Committee and any other business that may properly come before the meeting. All voting by each member of the Operators Committee shall be in proportion to its participation percentage.

The Operators Committee shall vote upon any matter specially assigned to it for voting as hereinafter provided. Any other matter (not delegated to the Advisory Committee, the Segment Operators, or the Unit Manager) shall be referred to the Operators Committee for decision and a vote of members owning at least sixty per cent (60%) on a participation percentage basis shall be required to carry any such proposition submitted.

When directed to do so by the Advisory Committee, the Unit Manager may submit any matter to the Operators Committee by mail for a vote. Said matter shall be submitted by the Unit Manager to the parties by mail, addressed to each of them at the address they have on file with the Unit Manager, with the request that they vote in writing on the matter, and all parties shall be requested to mail or telegraph to Unit Manager their vote on the matter submitted to them within fifteen (15) days from the date Unit Manager has mailed the request for the vote on the matter submitted. All parties that have not voted within said fifteen (15) day period shall be deemed to have voted in favor of the proposition submitted. A vote of the owners of sixty per cent (60%) of the participation percentage shall be required to carry any proposition submitted by mail, unless a different percentage is specifically required hereinafter. Promptly after a matter has been determined by a vote by mail, Unit Manager shall notify all of the parties hereto of the result of the vote.

2. SEGMENT OPERATORS

The Unit Area is divided into three segments as shown by the segment boundaries on *Exhibit "A"* attached hereto. Standard Oil Company of Texas is hereby designated and appointed as Segment Operator of Segment No. 1. Magnolia Petroleum Company is hereby designated and appointed as Segment Operator of Segment No. 2. Pan American Production Company is hereby designated and appointed as Segment Operator of Segment No. 3. Numbered Tracts added to the Unit Area by

extension shall be attached to the segment to which they are contiguous; provided that if and when the owners of seventy-five per cent (75%) of the Numbered Tracts in any field other than the Kelly-Snyder Field and the Diamond "M" Field have been admitted to the Unit Area, a new segment shall be created for each such field, shall be numbered in accordance with the order in which such field or fields are taken into the Unit, and the lessees in said field or fields thus added shall, by majority vote of the lessees in each such field thus added, on a participation percentage basis, elect a lessee in their respective field to become the Segment Operator thereof. An election shall be required at any time, after a Segment Operator has served one year, on written demand by lessees in the segment owning as much as thirty per cent (30%) of the working interest on a participation percentage basis in the segment, which election shall be conducted by Unit Manager, and the lessee receiving the highest vote of the lessees in the segment on a participation percentage basis shall be elected to serve as Segment Operator.

Each Segment Operator shall have complete charge, management and control of the development, equipment and operation of its segment, subject to the directions of Unit Manager, acting under authority of the Advisory Committee, as to all methods to be followed and equipment to be used that affect conservation and pressure regulation, and as to the wells to be drilled and the wells to be produced and the method of production thereof, and as to the wells to be shut in, and as to the drilling, equipping and operating of input wells, and as to the manner and rate of injection of water, gas, extraneous gas or other substances, and as to all matters directly involved in carrying out the plan for pressure regulation and conservation approved by the Advisory Committee and administered by the Unit Manager, and subject to the terms and conditions of this agreement; provided that when questions arising hereunder are to be resolved or determinations or authorizations are to be made by a vote of the Operators Committee or by the Advisory Committee, or by Unit Manager, as herein provided, the Segment Operator shall be bound to follow such decisions, determinations and authorizations.

Each Segment Operator shall conduct all development, equipment and operation on its segment hereunder in a good and workmanlike manner and in the absence of specific instructions from the Advisory Committee as to matters within its jurisdiction, or from the Operators Committee as to matters within its jurisdiction, shall have the right and duty to act in accordance with its best judgment of what a prudent operator would do under the same or similar circumstances. Each Segment Operator shall consult freely with the parties hereto and shall keep them informed of all matters arising in connection with the operations being handled by it that, in the exercise of its best judgment, it considers important. In addition to its general duties, each Segment Operator shall, subject to the limitations herein imposed, perform the following specific acts:

- (a) Conduct and pay for all drilling, reworking, reconditioning, treating, and other producing and developing operations on its segment, such operations to be carried out in accordance with the directions of Unit Manager as to all such matters that affect or are involved with the pressure regulation and conservation plan.
- (b) Purchase all equipment, materials and supplies necessary in connection with the development, equipment and operation of the segment except such as may

be purchased and designated by Unit Manager, under instructions from the Advisory Committee, as a part of the pressure regulation system.

(c) Pay all wages and salaries and employee benefits of Segment Operators' employees engaged in serving the Unit Area in said segment. All of said employees shall be solely the employees of Segment Operator and shall not be considered employees of Unit Manager or of any other party hereto.

(d) Keep an accurate and itemized set of records and account books showing in detail all costs and expenses covering the operations of said segment, and showing all development, equipment and operation of said segment and all production therefrom. Furnish to Unit Manager a monthly report of all expenditures made or incurred and all production obtained during the preceding calendar month, together with any reasonable information that Unit Manager may require relating to said account and said development, equipment and operation and production. Said monthly statement shall be on forms prescribed by Unit Manager and shall be rendered on or before the last day of each month for the preceding calendar month and with sufficient copies thereof so that Unit Manager may furnish one copy to each party to this agreement in connection with the consolidated statement that Unit Manager will render.

(e) Keep all real property and all personal property and equipment free and clear of all liens and encumbrances on account of any claims arising out of operations conducted by Segment Operator hereunder.

(f) Afford to each of the parties hereto an opportunity to examine all books and records relating to the segment operations.

(g) Make all necessary reports to governmental authorities and all necessary tax renditions and returns for the segment property and operations. Pay all valid applicable taxes and fees levied upon the segment property and operations. Secure for the segment operation all necessary licenses and permits. As to any matters concerned with this sub-paragraph (g), Segment Operator may submit to the Advisory Committee the question of the manner in which it shall perform any of said functions, and Segment Operator shall act in accordance with the majority vote of the Advisory Committee in attendance at the meeting in which any such matter is submitted.

(h) Cooperate with Unit Manager and with the other Segment Operators and with the Advisory Committee so that the pressure regulation and conservation plan can be carried out harmoniously and on a Unit Area basis.

Any Segment Operator, or any successor Segment Operator, may be discharged and its rights, powers and duties, or any part thereof, may be terminated at any time by the owners of at least sixty per cent (60%) of the voting interest in the entire Unit on a participation percentage basis, exclusive of said Segment Operator's interests. Each party hereto other than said Segment Operator shall be entitled to a vote on the question equal to the ratio that its participation percentage bears to the participation percentage of all other parties entitled to vote on the question. A Segment Operator also shall be discharged if it tenders its resignation, refuses or fails to carry out its duties and obligations hereunder, becomes insolvent, or ceases to own an interest in the Unit Area. A Segment Operator shall not be deemed to have ceased to own an interest in the Unit Area if it is merged or consolidated into or with another corporation, or if another corporation purchases all, or substantially all

of said Segment Operator's properties, and said successor shall succeed to the rights and duties of said Segment Operator hereunder. In the event a Segment Operator shall be discharged, a successor Segment Operator shall be elected by and from among the parties hereto in the segment, and the party shall serve as the Segment Operator who receives the highest vote on a participation percentage basis in the segment. Neither a Segment Operator nor any successor Segment Operator shall be released from its duties and obligations for a period of sixty (60) days after its discharge unless a successor Segment Operator shall have been elected by the parties hereto in the segment and shall have assumed the obligations of Segment Operator prior to the expiration of said period.

3. ADVISORY COMMITTEE

The parties hereto hereby create an Advisory Committee consisting of the Segment Operators and eight (8) other parties to this agreement. If any party that is a Segment Operator should cease to be a Segment Operator, then said party shall cease to be a member of the Advisory Committee and the successor Segment Operator shall automatically become a member of said Committee. If any adjacent field producing from the same Canyon Reef pool should be included in the Unit Area in the manner provided herein, then the Segment Operator of said field shall automatically become a member of the Advisory Committee and the number of members on said Committee shall be enlarged accordingly. The other eight (8) members of the Advisory Committee shall be elected by the Lessees that are not Segment Operators, and said election shall be conducted in the following manner:

The Segment Operators shall nominate sixteen (16) other Lessees that are parties to this agreement as candidates for the right to be members of the Advisory Committee, and shall request each of the parties hereto entitled to vote for the eight (8) elective members of the Advisory Committee to cast a vote for eight (8) of the Lessees, or for any eight (8) Lessees that are parties hereto, which vote must be cast within ten (10) days from the date said request is mailed out by the Segment Operators. At the end of the ten (10) days the Segment Operators shall compute the votes cast and the voting interests of the respective Lessees that have voted, and upon determining from said votes the eight (8) Lessees that have received the eight (8) highest votes on a participation percentage basis, Segment Operators shall notify each of said Lessees of their election to the Advisory Committee, and each of said Lessees shall thereupon name its representative on said Committee. As soon as the election has been completed Segment Operators shall notify all parties hereto of the names of the Lessees on the Advisory Committee and the names of their respective representatives thereon. If at any time a party elected to the Advisory Committee shall cease to own an interest in the Unit Area or shall become a Segment Operator, then the remaining members shall notify all parties hereto of that fact and shall request the parties hereto who are not members of said Committee to cast their vote for a successor from among the parties hereto that are not members of the Advisory Committee, and the party receiving the largest vote on a participation percentage basis shall be elected and shall be a member of the Advisory Committee and shall have the right to appoint a representative thereon. Each member of the Advisory Committee shall have the right at any time to substitute another representative thereon by notifying the Advisory Committee thereof in writing.

A new election shall be required at any time after the elective members of the

Advisory Committee have served for one (1) year, on written demand by Lessees owning as much as thirty per cent (30%) of the participation percentage interest in the Unit, which election shall be conducted by Segment Operators on the same basis as the election for the first Advisory Committee, and successive elections shall be required at the same periods and in the same manner.

Each member of the Advisory Committee shall have a vote; seven (7) of the members shall constitute a quorum, and, except in cases where a larger vote of the Committee is required under the terms of this contract, a majority vote of the members in attendance at a duly called meeting shall be binding upon all of the parties.

The Advisory Committee shall have the power, and it shall be its duty:

(a) To employ the Unit Manager, subject to the approval of the Operators Committee.

(b) To prescribe and provide for the necessary offices, furniture, office equipment and other physical equipment to be used by Unit Manager and his staff; and to authorize and provide for the employment, upon recommendation of Unit Manager, of the staff of assistants that will be required by Unit Manager, such as engineers, geologists, clerks, and stenographers, and to prescribe the rates of pay for all of said assistants; to provide for all necessary expenses and expenditures to be made by Unit Manager and his staff in connection with their duties.

(c) To direct and control all activities of the Unit Manager in carrying out his duties hereunder.

(d) To pass upon and approve or disapprove of the plans for regulating the pressure, conserving the production, and controlling the reservoir performance.

(e) To pass upon and approve or disapprove of all contracts to be made by Unit Manager for the purchase of fresh water, salt water, extraneous gas and other substances that will be required for injection into the producing formation.

(f) To pass upon and approve or disapprove of all contracts by Unit Manager and by Segment Operators for construction of buildings and facilities, for drilling and equipping of wells, and contracts for the purchase of real and personal property to be used in connection with the unit operation such as land, surface rights, rights-of-way and other easements, rights to use real property for pressure regulation purposes, and purchases of compressors, engines, pumps and other machinery and equipment, casing, tubing and other pipe, oil well machinery and equipment; provided that if any of the plans and specifications for construction of facilities or of any additions or alterations thereto or contracts for the drilling of a well or wells have been approved by the Advisory Committee and the contract or arrangement under which the same are to be furnished, constructed or drilled are approved, it will be considered that all expenditures that may be necessary in acquiring, constructing and equipping said facilities or any additions or alterations thereto, or in doing said work, in accordance with such plans and specifications, or contract, have been approved, provided that any expenditure for any single item over \$50,000.00 shall be made only after receipt of competitive bids and award by a majority vote of the Advisory Committee; and provided further that this subparagraph (f), requiring the Committee's approval, shall not apply as to any item involving an expenditure of Five Thousand Dollars (\$5,000.00), or less.

(g) To pass upon and approve or disapprove of the sale or distribution of major items of surplus property having a value in excess of Fifteen Hundred Dollars (\$1500.00).

(h) To appoint an auditor, inspector, or auditing committee to represent all of the parties hereto in auditing, inspecting and checking Unit Manager's and Segment Operators' books and records relating to the development, equipment and operation of the Unit or any segment thereof, which auditing and inspection shall be done at the expense of the joint account.

(i) To do the things specially assigned to it in this agreement.

(j) Generally to be available to consult with, and advise Unit Manager and Segment Operators in the development, equipment and operation of the Unit.

The approval of nine (9) members of the Committee shall be required with respect to the matters referred to under (a), (b), (c), (d), (e) and (f) above. Any members of the Committee that fail to vote on any proposition submitted by mail or telegram within the time requested by Unit Manager will be deemed to have voted in favor of it. In all cases where the approval of nine (9) members of the Committee is required and in which such approval is not given, said matters shall be referred to the Operators Committee for decision and such matters shall not be proceeded with except after receiving a favorable vote of the parties hereto who hold as much as eighty per cent (80%) of the voting interest on a participation percentage basis; provided that the vote of at least five (5) parties shall be required to defeat the favorable vote of all the other parties.

4. UNIT MANAGER

Promptly after the election of the entire Advisory Committee, said Committee shall employ a competent, technically trained and experienced person to serve as Unit Manager, subject to the approval of the Operators Committee. After reaching a tentative agreement with the proposed Unit Manager, the Advisory Committee shall mail to each of the members of the Operators Committee a statement showing the name of the proposed Unit Manager, a resume of his qualifications for the position, and the terms of his employment, and requesting each member to cast a vote for or against the person recommended as Unit Manager, and stating said vote must be mailed to the Advisory Committee within fifteen (15) days after mailing of said statement by the Advisory Committee. Each member that fails to vote within said fifteen (15) day period shall be deemed to have voted for the proposed Unit Manager. If within said fifteen (15) days Lessees having as much as twenty per cent (20%) of the voting power on a participation percentage basis have cast a vote against the proposed Unit Manager recommended by the Advisory Committee, then the Advisory Committee shall choose another person in the manner above set forth for Unit Manager and shall then submit his name in the above manner to the members of the Operators Committee for approval or rejection. A similar procedure shall be followed until the Unit Manager recommended by the Advisory Committee has been approved by members of the Operators Committee owning eighty per cent (80%) or more of the voting power on a participation percentage basis. Subject to the terms and conditions of any employment agreement that may be entered into with the Unit Manager, any Unit Manager may be discharged at any time by a vote of seven (7) members of the Advisory Committee or on petition by members of the Operators Committee holding as much as thirty per cent (30%) of the voting power on a participation percentage basis.

Promptly after his employment is confirmed by the Operators Committee in the manner above set forth, Unit Manager shall make a recommendation to the Advisory Committee as to the equipment and the staff of employees that will be required by him in carrying out his duties, and he shall be authorized to purchase such equipment and employ such employees as may be approved by the Advisory Committee.

The parties hereto expressly authorize Unit Manager, subject to the directions of the Advisory Committee, as soon as practicable after the Effective Date, to direct the installation, maintenance and operation by the Segment Operators of a system for regulating the pressure and for producing of Unit Area as a whole, and in this connection Unit Manager shall have the right to prescribe that the wells that are most advantageous to the Unit Area be produced, to require that the wells that are unnecessary or disadvantageous to the Unit Area be shut in, to use any wells that are suitable for injection purposes, to acquire, produce and gather gas, extraneous gas, fresh water, salt water, and other substances, and to inject said substances, or any of them, into the Canyon Reef at times, in quantities, at places, and at pressures and under conditions that are considered by Unit Manager and the Advisory Committee necessary for the regulation of pressure and the maintenance or increase and the conservation of production.

Unit Manager shall direct the Segment Operators as to all methods to be followed and equipment to be used that affect the conservation and pressure regulation of the pool and as to the wells to be drilled, the wells to be produced, and the methods of production thereof, and as to the wells to be shut in, and as to the drilling, equipping and operation of input wells, and as to the manner and rate of injection of water, gas, extraneous gas, or other substances, and as to all matters directly involved in carrying out the plan for pressure regulation approved by the Advisory Committee and administered by Unit Manager. Unit Manager shall consult freely with the parties hereto and shall keep them informed of all matters arising in the operation of the conservation and pressure regulation system and in the direction of the Unit operation. In addition to his general duties, Unit Manager shall, subject to the limitations herein imposed and under the direction of the Advisory Committee, perform the following specific acts:

- (a) Direct the Segment Operators as to the manner in which all drilling, reworking, reconditioning, treating, and other producing and development operations in the Unit Area shall be conducted in order that such operations shall be carried out in accordance with the plans adopted for regulating the pressure and conserving the production in and from the Unit Area.
- (b) Contract for, and supervise the construction and installation of the systems designed for regulating the pressure and for conserving the production.
- (c) Procure all substances to be used for injection into the Canyon Reef, such as fresh water, salt water, gas, extraneous gas, etc., and make contracts for the purchase of them to secure an adequate and reliable supply.
- (d) Purchase all equipment, materials and supplies in connection with carrying out Unit Manager's duties generally. Acquire real property for the unit operation.
- (e) Promptly pay and discharge all costs and expenses incurred to take advantage of trade discounts where available.
- (f) Pay the wages and salaries and employee benefits of Unit Manager's employees engaged in serving the Unit Area. All of said employees shall be solely

the employees of Unit Manager and shall not be considered the employees of any other party hereto.

(g) Keep an accurate and itemized central consolidated set of records and account books covering the operations of Unit Manager and of Segment Operators, which shall reflect all development, equipment and operation of the Unit Area and the account of each of the parties hereto in the unit operation and furnish to each party hereto a monthly report of all expenditures made or incurred, together with any reasonable information required by them relating to said account and said development, equipment and operation.

(h) Afford to each of the parties hereto an opportunity to examine all books and records relating to the unit operations, in Unit Manager's possession.

(i) Furnish on or before the 15th day of each calendar month to each party hereto a report of operations during the calendar month preceding the month in which Unit Manager has received reports from Segment Operators and a monthly statement showing the amount of production produced from the Unit Area and the amount of production attributable to each Numbered Tract in the Unit Area during said month, and such other data and information as may be necessary for a proper accounting and settlement between the parties.

(j) Keep all real property and all personal property and equipment free and clear of all liens and encumbrances on account of any claims arising out of operations conducted by Unit Manager hereunder.

(k) Make all necessary reports to governmental authorities and all necessary tax renditions and returns for the conservation and pressure regulation system. Pay all valid applicable taxes and fees levied upon the conservation and pressure regulation system property and operations. Secure for the conservation and pressure regulation system all necessary licenses and permits. As to any matters concerned with this subparagraph (k), Unit Manager may submit to the Advisory Committee the question of the manner in which it shall perform any of said functions and Unit Manager shall act in accordance with the majority vote of the Advisory Committee in attendance at the meeting on any such matter submitted to said Committee.

(l) Supervise all other matters necessary to the accomplishment of the duties delegated to Unit Manager.

VI.

DISTRIBUTION OF COSTS AND EXPENSES

All costs, expenses and liabilities incurred on account of the unit operation by Unit Manager and by Segment Operators, and otherwise, shall be for the account of the parties hereto and shall be borne by each of the parties hereto in proportion to its participation percentage. Each Segment Operator shall set up a joint account on behalf of all parties hereto for all costs and expenses incurred by it in the development, equipment and operation on its segment, and all of said costs and expenses shall be charged to all of the parties hereto on the basis set out on the Accounting Procedure attached hereto, made a part hereof, and marked *Exhibit "F"*. Unit Manager shall set up a joint account for all costs and expenses incurred by him in connection with his duties hereunder and also shall set up a consolidated joint

account in which are consolidated all of the costs and expenses incurred by Unit Manager and by Segment Operators hereunder. All costs and expenses incurred by Unit Manager hereunder shall be direct costs and expenses of all of the parties hereto.

Unit Manager and each Segment Operator initially shall pay all costs and expenses incurred by it respectively in connection with its respective operation, unless said parties receive advances for such purposes at the request of the Advisory Committee as hereinafter provided. Each Segment Operator shall render to Unit Manager on or before the last day of each month a monthly statement of all expenditures made or incurred by it during the preceding calendar month, with sufficient copies thereof so that Unit Manager may mail a copy of said statement to all parties hereto. Unit Manager shall make a monthly statement of all expenditures made or incurred by him in connection with the unit operation during the preceding calendar month. Unit Manager shall make up a consolidated statement consolidating his statement and the statement of each Segment Operator, to which shall be attached and made a part thereof a copy of the statement of each Segment Operator and a copy of the statement of Unit Manager for their respective separate operations during the month, and shall mail out said consolidated statement to each of the parties hereto on or before the 15th day of the calendar month succeeding the calendar month in which the statements from the Segment Operators were received, and on said consolidated statement Unit Manager shall show the respective credits to and charges against each party to whom the statement is sent.

On or before twenty (20) days after date of the consolidated statement each party hereto shall pay to Unit Manager in cash the balance owing by it, as shown by said statement, but such payment shall not be regarded as an admission of the correctness of the statement, provided that as to each party hereto that fails to file with Unit Manager within two (2) years from the date of each consolidated statement in question a protest in writing showing in detail the grounds of protest and the statement or statements against which the protest is directed, each such statement shall be deemed stipulated. Should any party fail to pay its proportionate part of the costs and expenses as shown by each consolidated statement within said twenty (20) day period, the same shall bear interest at the rate of six per cent (6%) per annum from the end of said period until paid, and Unit Manager shall have the right, at his option, at any time thereafter, such default continuing, to foreclose the lien herein provided upon the respective interests of such party.

Unit Manager shall, within ten (10) days after the expiration of said twenty (20) day payment period, reimburse himself and each Segment Operator in proportion to the amount of their respective expenditures from the funds paid to Unit Manager on account of said consolidated statement.

The Advisory Committee, in lieu of Unit Manager and Segment Operators advancing such costs and expenses, may require the several parties hereto to advance their respective proportions of the costs and expenses of development, equipment and operation of the Unit Area according to the following conditions: On or before the last day of each calendar month, Unit Manager shall submit an itemized estimate of such costs and expenses for the succeeding calendar month, determined on the basis of the budget hereinafter provided, to each of the parties hereto with request for the payment of its proportionate part thereof. Within the first twenty (20) days of the month covered by the estimate, each of such parties shall pay to Unit Manager said party's proportionate part of such estimate. Should any party fail or refuse to pay its proportionate part of the estimate within said twenty (20)

day period, the same shall bear interest at the rate of six per cent (6%) per annum from the end of said period until paid, and Unit Manager shall have the right, at his option, at any time thereafter, such default continuing, to foreclose the lien hereinafter provided for upon the respective interests of such party. Adjustment between estimates and actual costs shall be made by Unit Manager at the close of each calendar month and the accounts of the parties shall be adjusted accordingly.

As soon as practical, but in any event not later than sixty (60) days after the Effective Date, Unit Manager shall prepare a tentative budget covering estimated expenditures for the development, equipment and operation of the Unit Area for the remainder of the calendar year and, on or before the first day of December of each year hereunder, shall prepare a tentative annual budget covering estimated expenditures for the development, equipment and operation of the Unit Area for the twelve (12) months' period ending on the 31st day of December of the succeeding year. The tentative annual budget shall set forth the estimated expenditures for the quarterly periods beginning on the first day of January, the first day of April, the first day of July, and the first day of October, and, where practical to do so, shall show the estimated expenditures by months in each quarterly period. Unit Manager shall correct the tentative budget, if necessary, at least thirty (30) days prior to the beginning of each quarterly period. A copy of the tentative annual budget and all quarterly corrections thereof shall be mailed by Unit Manager to each party hereto.

VII.

LIEN OF UNIT MANAGER

Each of the parties hereto, in order to secure the payment of all amounts due or to become due by said party, to Unit Manager and Segment Operators, hereby gives and grants to Unit Manager for the benefit of Unit Manager and Segment Operators, a lien upon its interest in all of its Numbered Tracts in the Unit Area, and all its interest in the personal property of the Unit, and all its interest in the production in storage on the premises. The lien hereby created in favor of Unit Manager and Segment Operators shall be subject to all sales of production made by the parties hereto and, in the event of the foreclosure of the lien against the interest or property of a defaulting party, the foreclosure shall be made subject to existing contracts for the sale of production theretofore executed by said defaulting party. Each lien may be enforced, by and at the option of Unit Manager, as a mortgage lien or as any other lien afforded by the law of the state in such cases.

In the event Unit Manager forecloses a lien herein provided and acquires any property or interest subject thereto as a result of the foreclosure of the lien, then each of the parties hereto shall have the obligation to purchase a proportionate part of such acquired interest or property from the Unit Manager at Unit Manager's investment therein. Upon completion of such a foreclosure, Unit Manager shall submit promptly to the parties hereto a written statement of the amount of the investment in such acquired interest or property, and each of said parties shall have a period of thirty (30) days after receipt of said statement to pay its proportionate part of the same, which shall be in the ratio that the participation percentage of each remaining party bears to the participation percentage of all remaining parties whose interests have not been foreclosed. Upon such foreclosure and payment Unit Manager shall execute a recordable instrument conveying to each of the parties that has paid its proportionate part thereof its respective proportionate share in the interest or property that has been acquired.

VIII.

OWNERSHIP OF PRODUCTION

On and after the Effective Date the production in, and that is produced from the Unit Area shall be allocated to the Numbered Tracts in accordance with the participation percentages of such tracts. As to each tract the ownership of the production so allocated thereto shall be based upon the respective oil and gas lease contracts and other contracts affecting the same. Each Lessee shall have the right to receive in kind, at a point within the Unit Area designated by it, and to dispose of as it sees fit, all of its portion of the production allocated to its tracts and all of the royalty and other production so allocated that it is entitled to sell, and as to all of such production sold shall receive payment directly from the purchaser; provided that no Lessee may sell any part of its proportion of any gas or extraneous gas that may be needed and utilized for operating the Unit or for injecting into the producing formation. In disposing of its production each Lessee shall have the right to the use of the joint facilities, but it shall not cause any extra expense to be incurred specially in its behalf in this connection and shall bear all extra expenses itself.

Unit Manager and each Segment Operator shall have the right to use, free of cost to the Unit, all production that is required for the purpose of developing and operating the Unit and all gas and extraneous gas that is required for injection into the producing formation for the purpose of pressure regulation, and the parties hereto shall be entitled to receive in kind and sell only the production remaining after such uses. Notwithstanding anything in this agreement to the contrary, each Lessee shall have the right to have its share of the gas processed in a casinghead gasoline plant, and in such cases only the residue gas remaining after such processing shall be used for injection into the producing formations.

In the event the oil or gas produced from the Unit Area during any month should be of such character that it is impracticable to deliver to each party in kind its share of each grade of oil or each quality of gas, or the average grade of oil or average quality of gas, appropriate adjustments shall be made to give each party the equivalent of production of the average or composite grade and quality of that produced from the Unit Area as a whole, in such manner as shall be agreed upon by the parties or in the absence of an agreement in such manner as shall be determined by the Advisory Committee.

Should any gas not be needed for pressure regulation in the Unit Area during the term of this agreement and should said gas be sold, and if extraneous gas previously has been injected into the Unit Area, then half of the gas sold shall be considered to be extraneous gas and solely the property of the Lessees until the Lessees have recovered gas equal in volume to the amount of extraneous gas previously injected into the Unit Area.

Each Lessee shall pay or be responsible for the payment of all royalties, overriding royalties, oil payments, net profit contracts and all payments out of or burdens on the lease or leases and Numbered Tracts contributed by it and received into the Unit Area and each Lessee shall hold every other Lessee harmless against all claims, demands and causes of action for such royalties, overriding royalties, oil payments, net profit interests, and other payments out of or burdens on the lease or leases and Numbered Tracts contributed by it to the Unit Area; provided however, should there be more production from a tract, on which less than 100 per cent of the royalty is signed, than its participation percentage of the production, then the burden and risk of such excess production shall be borne by the joint account to the extent of the excess, and should there be less production from such a tract, than its participation percentage of the production, then that portion of the production not paid to

royalty owners who failed to sign, but which would have been payable to them if they had signed, shall be allocated among the Lessees in proportion to their participation percentages.

IX.

INSURANCE

Unit Manager and each Segment Operator shall, at all times while operations are conducted hereunder, carry for the joint account Workmen's Compensation and Employers' Liability insurance in compliance with the laws of the State of Texas. Unit Manager and each Segment Operator also shall carry for the joint account such other insurance as the Advisory Committee approves. Unit Manager and each Segment Operator shall notify the parties hereto in writing currently as to the kinds and amounts of such insurance kept in effect for the joint account. All costs of such insurance, together with all actual expenditures incurred and paid by the Unit Manager and each Segment Operator in settlement of any and all losses, claims, damages, judgments, and any other expenses, including legal services, not covered by such insurance, shall be charged to the parties hereto proportionately to their respective participation percentages.

X.

ACCESS TO UNIT

Each of the Lessees shall be entitled to have access to the unit premises at all reasonable times to inspect and observe operations of every nature; to have access at all reasonable times to any and all information pertaining to the conservation and pressure regulation and producing system, the wells, the records of production, and the records of all other operations; to inspect all books, records and accounts of Unit Manager and Segment Operators pertaining to the same; to be present during the drilling, testing and completion of all wells, and to make copies of well logs, scientific logs, drilling, progress and casing reports and daily gauge and run tickets and reports of production and storage. The presence of each Non-Operator or its representative on the premises and their activities in connection therewith shall be at the sole risk and expense of the respective Non-Operator.

It is contemplated that the Advisory Committee will from time to time appoint an auditor to examine the books and accounts of Unit Manager and Segment Operators, and said auditor shall be entitled to complete access to said books and accounts and to cooperation from Unit Manager and Segment Operators in making said audit; and if the audit discloses the necessity of any adjustments between the parties hereto, said adjustments shall be made promptly.

XI.

OWNERSHIP OF WORKING INTERESTS

1. Each Lessee hereby warrants that it is the owner of all of the working interest in and under the lands and oil and gas leases as shown to be owned by it on *Exhibit "E"*, attached hereto and made a part hereof (said *Exhibit "E"* being subject to correction or supplementation as stated thereon), and that said oil and gas lease or leases or land ownership cover the entire interest in the land described therein, unless expressly stated otherwise on said *Exhibit "E"*, and that said lease or leases are now in good standing and in full force and effect. If for any reason other than as

a result of the unit operations or non-production, any lease or interest therein subject hereto be lost, forfeited, released or cancelled, or should any lease expire, or should the title to any land subject hereto be lost during the term of this agreement the participating percentage of the party representing itself to be the owner thereof shall be reduced proportionately and the participating interests of all parties shall be adjusted as herein provided. Each Lessee shall be responsible to the other parties hereto for the title to each tract contributed hereto by such Lessee, and in the event of loss, forfeiture, release, cancellation, expiration or failure of title, for any reason other than as the result of the unit operation or non-production, either in whole or in part, such loss, forfeiture, release, cancellation, expiration or failure of title shall be borne entirely by the Lessee who contributed such tract, and any necessary adjustments shall be made with such Lessee and all other parties hereto as to investments incurred prior to the date of the loss. Any such losses, forfeitures, releases, cancellations, expirations or failure of title, and any liability for damages that are incurred as the result of the unit operation or non-production shall be borne by all of the parties hereto in proportion to their respective participation percentages in the Unit Area.

2. For the purpose of fixing the participation percentages for the payment of costs, expenses and charges and the sharing of liabilities, as provided in this contract, the party or parties hereto owning the working interest in a Numbered Tract or Tracts shall be charged with all costs, expenses, charges and liabilities in proportion to the participation percentage allocated to said Numbered Tract or Tracts.
3. Each party hereto, to the extent that it may lawfully do so, hereby grants to Unit Manager and Segment Operators all rights, privileges, rights-of-way and easements for the purpose of carrying on all unit operations on, over and across its respective oil and gas lease or leases and lands situated within the Unit Area, and the right to drill for and produce water therefrom, free of royalty or other charge, from any horizon lying below 6000 feet subsurface, for unit operation.
4. Each Lessee shall have the right to use the surface of its respective lease or leases and to carry on such drilling, development and producing operations as it may desire as to all depths and formations not included within the Unit Area, and shall have the right to drill through the Unit Area for deeper production, provided it takes proper precautions to protect the Canyon Reef. Such operations shall be carried on in a manner that will not unduly interfere with the unit operations, and the unit operations shall have precedence where there is any substantial conflict. No well turned over to Unit Manager or a Segment Operator may be used by a Lessee for the purpose of drilling to, or producing from any other formation. As to each and every well that is finally abandoned and that, in the opinion of the Advisory Committee, never will be useful for any unit operation purposes, the Lessee upon whose lease the abandoned well or wells are located shall have a preferential right to utilize such well or wells for development and operations in any other stratum or strata on payment of the fair value of the casing, tubing, and well and leasehold equipment in and on the well, provided that said Lessee takes the proper steps approved by the Segment Operator upon whose segment the well or wells are located to protect the Canyon Reef, and provided that such operations in said well or wells are conducted in a manner not to interfere with the unit operations as provided above.
5. No Lessee shall make any sale, mortgage, transfer or other disposition of its interest in its Numbered Tract or Tracts in the Unit Area or in any of the real and personal

property used in connection with the operation of the Unit Area unless such sale, mortgage, transfer or other disposition covers all, or an undivided portion of the interest of such party in its Numbered Tract or Tracts in the Unit Area and the real and personal property used in connection therewith. Should any party hereto dispose of its interest in the properties covered by this contract as provided herein, said party shall be relieved of all obligations thereafter accruing under this agreement, but shall not be relieved of any obligation or liability which accrued prior thereto or which arose out of any operations conducted prior thereto. No transfer of interest in any of the property covered hereby shall be binding upon Unit Manager unless and until Unit Manager has been served with a complete original or a photostatic copy of the instrument or instruments effecting the transfer.

6. This agreement shall be deemed a covenant running with the lands, leases and minerals embraced within the Unit Area, and it shall extend to, and be binding upon, and inure to the benefit of the parties hereto, and their respective heirs, administrators, executors, successors, assigns and legal representatives. All transfers of interest shall be subject to this agreement.

XII.

IN GENERAL

1. For the purposes of this agreement all of the terms, conditions and agreements contained in the various leases or other contracts covering the separate tracts within the Unit Area, either express or implied, relating to development and production or royalty or overriding royalty or oil payment or other settlements, are, to the extent they are inconsistent with or in conflict with the provisions of this agreement, hereby superseded by and altered and amended to conform to the terms, provisions, and intent of this agreement. The parties to this agreement are joining herein only as working interest owners and not as royalty owners, and this agreement shall not be construed as binding upon any party as to its royalty interest where a party hereto owns both a working interest and royalty interest in the Unit Area.

Upon the termination of this agreement, however accomplished, and in all matters not covered hereby, the parties will be governed by the leases and contracts affecting the various tracts embraced in the Unit Area.

2. This agreement and all operations hereunder shall be conformed to the laws of Texas and the valid orders and rules and regulations of the Railroad Commission of Texas. All terms and express or implied covenants of this agreement and of all oil and gas leases belonging to the parties hereto and covering land within the Unit Area shall be subject to all federal and state laws, executive orders, rules and regulations, and neither this agreement nor any oil and gas lease or leases covering land within the Unit Area shall expire or be terminated in whole or in part, nor shall any Operator or any Lessee be held liable in damages for failure to comply herewith, if compliance is prevented by, or if such failure is the result of any such law, order, rule or regulation. It is not the intention of the parties hereto to limit, restrict or prorate the amount of production to be produced from the Unit Area, it being recognized that such powers are exclusively exercised by governmental authority and no language used herein is intended to mean that the parties hereto are agreeing to exercise such powers.

3. In event performance under this agreement is prevented or delayed in whole or in part by acts of God, strikes, lockouts or other industrial disturbances, wars, blockades, insurrections, civilian disturbances, riots, blowouts, inability to obtain material or equipment due to war preparations or other causes which, by the exercise of due diligence, Unit Manager or a Segment Operator is unable to prevent or overcome, this agreement shall nevertheless continue and remain in full force and effect and neither Unit Manager nor any Segment Operator nor any Non-Operator shall be in default hereunder by reason thereof; provided, however, that performance shall be begun or resumed within a reasonable time after such cause has been removed; and provided further that neither Unit Manager nor any Operator shall be required against its will to adjust any labor dispute.
4. Each party executing this agreement admits and represents to each party hereto that it has read this agreement, that it has noted the contents thereof, that no oral representations or oral promises have been made to it as an inducement for its executing said agreement, that the sole and only consideration expected by it or promised to it is found expressed within the four corners of this written agreement, that if any such oral promise or oral representation has been made to it, it is not relying thereon and same does not constitute any inducement for its executing this agreement, and that it and each other party hereto is bound only in the manner and to the extent herein stipulated.
5. All notices shall be in writing and shall be mailed to the parties hereto by Unit Manager at the last named address which each of the parties hereto shall have designated in writing to Unit Manager, and Unit Manager shall not be required to mail to each Non-Operator any notices at more than two addresses.
6. A "Royalty Unitization Agreement, Canyon Reef Pool of Kelly-Snyder Field and Diamond 'M' Field, Scurry County, Texas," dated the 1st day of March, 1952, has been prepared under which the unitization and unit operation of the Unit Area on the basis herein set forth is authorized. Each party hereto hereby accepts, agrees to, adopts, and ratifies said Royalty Unitization Agreement. The parties hereto shall co-operate in seeking to secure execution of said agreement by the royalty owners in the Unit Area. All special expenses incurred in connection with printing said agreement and securing the signatures shall be charged to the joint account of the Unit; provided that no bonuses or special considerations, and no expenses or expenditures of lessees incurred in securing signatures of royalty owners under their own leases shall be allowed as a joint expense.
7. This agreement may be executed in as many counterparts as deemed necessary, or it may be joined in or ratified by any party or parties by executing a ratification thereof, and when thus executed either on a counterpart or by a ratification shall have the same effect as if said party or parties actually all had joined in executing one and the same document.
8. The captions or headings preceding the various parts of this agreement are inserted and included solely for convenience and never shall be considered or given any effect in construing this contract, or any part of this contract, or in connection with the duties, obligations or liabilities of the respective parties hereto, or in ascertaining the intent of the parties hereto if any question of intent should arise; it being the intention of the parties hereto that this agreement shall be construed as a whole.

9. The pronoun "it" is used for convenience to refer to each party hereto, regardless of gender.
10. Reference is made in the Unit Agreement, Diamond "M" Field, Scurry County, Texas, in Article XIV thereof, to a Unit Operation Agreement dated September 1, 1951, in the process of preparation which provides for the unitization of the Canyon Reef formation underlying the Kelly-Snyder Field and Diamond "M" Field, (referred to in said article as the "Large Unit Area"), and it is hereby declared that this Unit Operation Agreement is the Unit Operation Agreement referred to in said article, though this agreement is not dated September 1, 1951.

XIII.

RELATIONSHIP OF PARTIES

It is not the intention of the parties hereto to create a partnership or association. The duties, obligations and liabilities of the parties hereto are intended to be separate and not joint or collective, and nothing contained in this agreement or in any agreement made pursuant hereto shall ever be construed to create a partnership or association or to impose a partnership duty, obligation or liability with respect to any one or more of the parties hereto.

Each party hereto shall be individually responsible only for its own obligations as set out in this agreement, and shall be liable only for its proportionate share of the costs and expenses and liabilities as herein stipulated.

Whenever in this agreement reference is made to operations for the joint account of the parties hereto or to charges or credits to the joint account, or whenever similar language is used, the parties hereto use such language merely as a convenient method of referring to the accounting necessary between them, and no such phraseology shall ever be construed as creating any joint liability upon the part of the parties hereto for any obligation incurred under this agreement; or as setting apart or creating any fund or jointly owned property for the satisfaction of any such obligation; or as creating a common fund for any other purpose.

Each Segment Operator shall operate the leases it owns within its segment for itself and shall operate, in so far as it may lawfully do so, as the agent of each other owner of leases in its segment.

Funds received by a Segment Operator under this agreement need not be segregated by said party or maintained by it as a joint fund, but may be commingled with its own funds and distributed as provided in this agreement.

XIV.

EFFECTIVE DATE, QUALIFIED UNIT AREA, AND TERM

1. EFFECTIVE DATE

The Effective Date shall be the first day of the second calendar month succeeding the happening of three events, namely: (1) the execution of this agreement by Lessees owning as much as seventy-five per cent (75%) of the working interest within the outer limits for the Unit Area on a participation percentage basis, and (2), the execution of the Royalty Unitization Agreement by royalty owners owning

as much as sixty-five per cent (65%) of the royalty interest within the outer limits for the Unit Area on a participation percentage basis, and, (3), approval of this agreement by the Railroad Commission of Texas pursuant to Article 6088b of the Revised Civil Statutes of the State of Texas; provided that if said three events have not happened on or before the first day of January, 1953, the "Termination Date," this agreement shall not become effective and shall terminate unless Lessees owning as much as said seventy-five per cent (75%) of the working interest have executed this agreement on or before the Termination Date, in which event the Termination Date shall be extended for the term of one year, and if royalty owners owning said percent of royalty interest have not executed said royalty unitization agreement on or before said extended Termination Date, this agreement shall then terminate. In computing the above percentages as to the working interest owners and royalty interest owners that execute this agreement, only those Numbered Tracts qualifying under (a) and (b) below shall be considered. Within a reasonable time after this agreement becomes effective, Segment Operators shall notify each of the parties hereto and shall execute and file for record with the County Clerk of Scurry County, Texas, a certificate evidencing that fact.

2. QUALIFIED UNIT AREA

On and after the Effective Date hereof, the Unit Area shall be composed of the Numbered Tracts within the outer limits for the Unit Area that are qualified as follows:

(a) Each and all of those Numbered Tracts as to which Lessees owning one hundred per cent (100%) of the working interest in said Numbered Tract have executed this agreement and the royalty owners owning seventy-five per cent (75%) or more of the royalty interest in said Numbered Tract have executed the Royalty Unitization Agreement; and

(b) Each and all of those Numbered Tracts as to which the Lessees owning one hundred per cent (100%) of the working interest in said Numbered Tract have executed this agreement, and the royalty owners owning less than seventy-five per cent (75%) of the royalty interest in said Numbered Tract have executed the Royalty Unitization Agreement, and in which the Lessees in said tract have agreed to indemnify and hold harmless all other parties hereto against any and all claims and demands that may be made by the non-joining royalty owners on account of the inclusion of the Numbered Tract in the Unit Area and the operation of the Unit Area on the basis herein provided, but such indemnity shall not extend to production from a Numbered Tract in excess of the participation percentage of the production belonging to said tract; and

(c) Each and all of those Numbered Tracts as to which the working interest owners owning less than one hundred per cent (100%) of the working interest have executed this agreement and where (i) all of the working interest owners therein that have executed this agreement join in a written request addressed to the Unit Manager for the inclusion of such tract in the Unit Area, and agree therein to indemnify and hold harmless all other parties hereto against all claims and demands that may be made by the non-joining Lessees and royalty owners on account of the inclusion of the Numbered Tract in the Unit Area and the operation of the Unit Area on the basis herein provided, but such indemnity shall not extend to production from a Numbered Tract in excess of the participation percentage of the production belonging to said tract, and (ii) after said request has been made,

the Lessees owning seventy-five per cent (75%) of the working interest ownership in the Unit Area that have executed this agreement, said interest being computed on a participation percentage basis, exclusive of the Lessees submitting such request, consent to the inclusion of such tract in the Unit Area.

3. TERM

This agreement shall become binding upon each party hereto when said party executes it. This agreement shall be in full force and effect for a term as long as production in paying quantities is obtained from the Unit Area or any part thereof and as long as operations are conducted thereon, and thereafter until all wells have been abandoned and plugged and all personal property has been salvaged and all real estate has been disposed of by the Unit Manager or by the respective Segment Operators and all property has been distributed to the respective parties hereto or to their respective successors and assigns, which property shall be distributed to said parties or their respective successors and assigns in proportion to their respective participation percentages.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the respective dates set opposite their signatures.

Date _____

KING, WARREN AND DYE

By _____

By _____

By _____

Date _____

LONE STAR PRODUCING COMPANY

By _____

Its _____

Attest:

Secretary

Date _____

MAGNOLIA PETROLEUM COMPANY

By _____

Its _____

Attest:

Secretary

Date _____

JOSEPH I. O'NEILL, JR.

Date _____ PAN AMERICAN PRODUCTION COMPANY
Attest: _____

Secretary

Date _____ STANDARD OIL COMPANY OF TEXAS
Attest: _____

Secretary

Date _____ SUN OIL COMPANY
Attest: _____

Secretary

Date _____ SUNRAY OIL CORPORATION
Attest: _____

Secretary

Date _____ THE TEXAS COMPANY
Attest: _____

Secretary

Date _____ TIDE WATER ASSOCIATED OIL COMPANY
Attest: _____

Secretary

Date _____ THE PURE OIL COMPANY
Attest: _____

Secretary

Date _____ SKELLY OIL COMPANY
Attest: _____ By _____

Secretary Its _____

Date _____ PHILLIPS PETROLEUM COMPANY
Attest: _____ By _____

Secretary Its _____

Date _____ CITIES SERVICE OIL COMPANY
Attest: _____ By _____

Secretary Its _____

Date _____ W. A. MONCRIEF

Date _____ LESTER T. HOPE

Date _____ HARRY L. CROSBY, JR.

Date _____ PAUL TEAS

Date _____ PLACID OIL COMPANY
Attest: _____ By _____

Secretary Its _____

Date _____ WILSHIRE OIL COMPANY
Attest: _____ By _____

Secretary Its _____

Date _____ CITIES PRODUCTION CORPORATION
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ J. S. ABERCROMBIE

Date _____ GENERAL CRUDE OIL COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ NEWMAN BROTHERS DRILLING COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ L. M. LOCKHART

Date _____ CLAUD B. HAMILL

Date _____ J. A. HUMPHREY

Date _____ HIAWATHA OIL & GAS COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ OHIO OIL COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____

Attest: _____

Secretary

SEABOARD OIL COMPANY OF DELAWARE

By _____

Its _____

Date _____

Attest: _____

Secretary

SLICK-MOORMAN OIL COMPANY

By _____

Its _____

Date _____

RALPH A. JOHNSTON

Date _____

WILLIAM G. JOHNSTON

Date _____

Attest: _____

Secretary

STANOLIND OIL & GAS COMPANY

By _____

Its _____

Date _____

R. H. VENABLE

Date _____

J. J. NOLAN

Date _____

LIPSCOMB & DeLANGE

By _____

By _____

Date _____

Attest: _____

Secretary

SOUTHERN PRODUCTION COMPANY, INC.

By _____

Its _____

Date _____ RYAN, HAYS and BURKE
 By _____
 By _____
 By _____

Date _____ R. L. WHEELLOCK

Date _____ HUNT OIL COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ GREENBRIER OIL COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ AMERICAN REPUBLICS CORPORATION
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ STAR OIL COMPANY
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ GEO. P. LIVERMORE, INC.
 Attest: By _____
 _____ Its _____
 Secretary

Date _____ BYRD-FROST, INC.

Attest: _____
Secretary _____
By _____
Its _____

Date _____ AMERADA PETROLEUM CORPORATION
Attest: _____
Secretary _____
By _____
Its _____

Date _____ NELSON BUNKER HUNT

Date _____ HEADWATERS OIL COMPANY
Attest: _____
Secretary _____
By _____
Its _____

Date _____ HUMBLE OIL & REFINING COMPANY
Attest: _____
Secretary _____
By _____
Its _____

Date _____ CARTER & MANDEL COMPANY
Attest: _____
Secretary _____
By _____
Its _____

Date _____ RYAN OIL COMPANY
Attest: _____
Secretary _____
By _____
Its _____

Date _____ W. V. CONOVER

Date _____

J. B. FERGUSON, JR.

Date _____

D. W. GEORGE

Date _____

S. V. GUERIN

Date _____

REAGAN J. CARAWAY

Date _____

GENE GOFF

Date _____

WARREN OIL CORPORATION

Attest:

By _____

Its _____

Secretary

Date _____

WESTBROOK OIL CORPORATION

Attest:

By _____

Its _____

Secretary

Date _____

ESPERADO MINING COMPANY

Attest:

By _____

Its _____

Secretary

Date _____

H. R. STROUBE, JR.

Date _____

J. L. COLLINS & COMPANY

Attest:

By _____

Its _____

Secretary

Date _____ E. L. WILSON

Date _____ W. P. LUSE

Date _____ JAKE L. HAMON

Date _____ J. H. MOORE

Date _____ C. H. SWEET

Date _____ S. B. ROBERTS

Date _____ G. S. HAMMONDS

Date _____ D. D. FELDMAN

Date _____ BLANCO OIL COMPANY

Attest:

By _____

Its _____

Secretary

Date _____ A. A. BUCHANAN

Date _____ H. J. SHIPLEY

Date _____ J. LAWSON GOGGANS, JR., TR.

Date _____ FLOYD C. RAMSEY

Date _____

Attest:

Secretary

By _____

Its _____

Date _____

Attest:

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Date _____

STATE OF _____ } SS.
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared
CARL B. KING, J. E. WARREN and F. W. DYE, known to me to be the persons
whose names are subscribed to the foregoing instrument, and acknowledged to me that
they executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ } SS.
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared
_____, known to me to be the person
who executed the foregoing instrument as _____ of LONE STAR
PRODUCING COMPANY, and acknowledged to me that he executed the same for
the purposes and consideration therein expressed; as the act and deed of said corporation,
and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ } SS.
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared
_____, known to me to be the person
who executed the foregoing instrument as _____ of MAGNOLIA
PETROLEUM COMPANY, and acknowledged to me that he executed the same for
the purposes and consideration therein expressed; as the act and deed of said corporation,
and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ } SS.
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared JOSEPH I. O'NEILL, JR., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ } SS.
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of PAN AMERICAN PRODUCTION COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ } SS.
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of STANDARD OIL COMPANY OF TEXAS, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ } SS.
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of SUN OIL COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF OKLAHOMA } SS.
COUNTY OF TULSA

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of SUNRAY OIL CORPORATION, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for Tulsa County, Oklahoma

STATE OF _____ } SS.
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of THE TEXAS COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in _____ County, Texas
and for _____

STATE OF _____ }
COUNTY OF _____ } SS.

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of TIDE WATER ASSOCIATED OIL COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ }
COUNTY OF _____ } SS. (Corporation)

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of _____, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ }
COUNTY OF _____ } SS. (Corporation)

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of _____, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ } SS. (Corporation)
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____,
known to _____, known to
me to be the person who executed the foregoing instrument as _____ of

to me that he executed the same for the purposes and consideration therein expressed;
as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ } SS. (Corporation)
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____,
known to _____, known to
me to be the person who executed the foregoing instrument as _____ of

to me that he executed the same for the purposes and consideration therein expressed;
as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ } SS. (Corporation)
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____,
known to _____, known to
me to be the person who executed the foregoing instrument as _____ of

to me that he executed the same for the purposes and consideration therein expressed;
as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____
day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ } SS. (Individual)
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____,

known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ } SS. (Individual)
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____,

known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for _____
County, _____

STATE OF _____ } SS. (Individual)
COUNTY OF _____

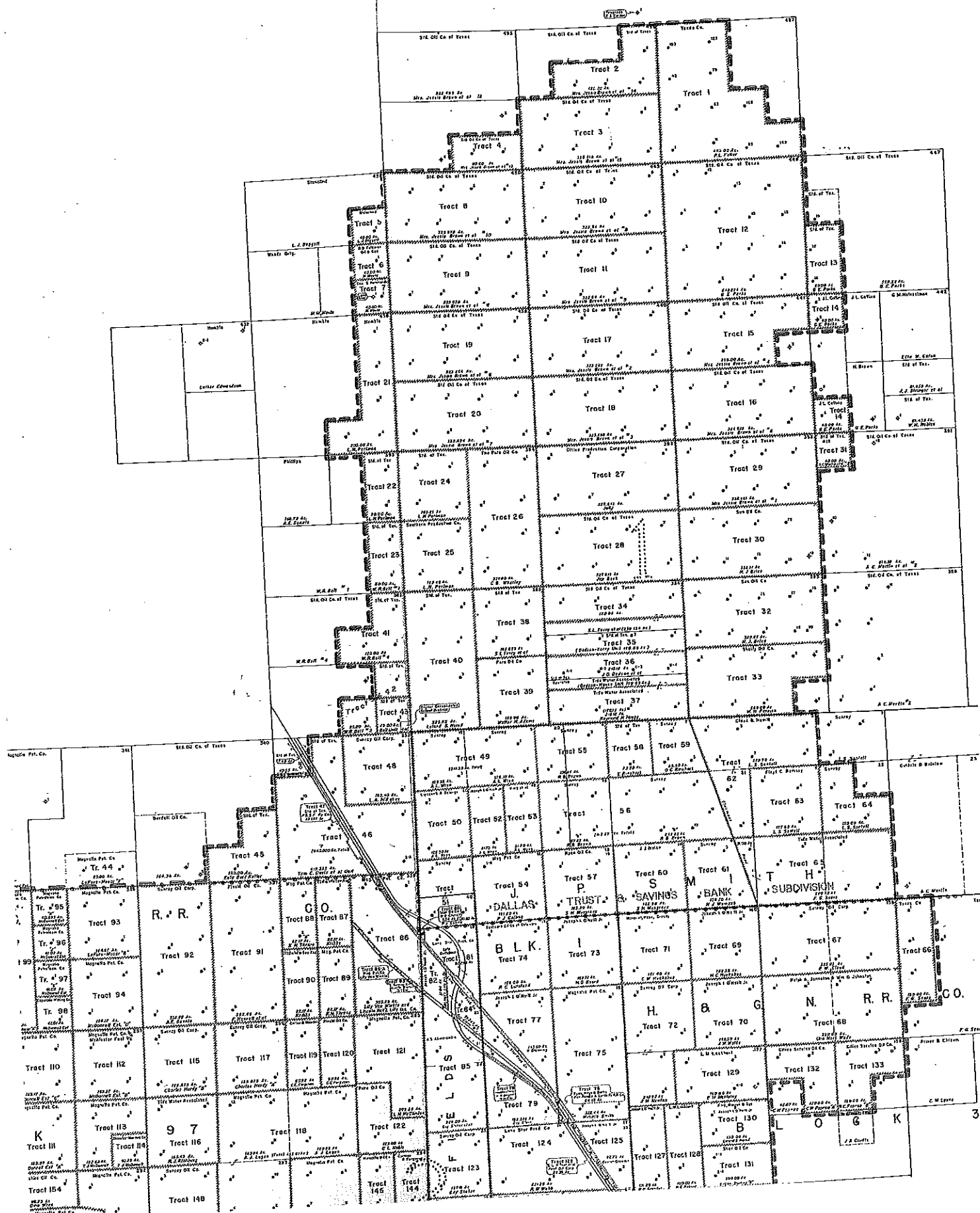
BEFORE ME, the undersigned authority, on this day personally appeared _____,

known to me to be the person whose name _____ subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1952.

Notary Public in and for _____
County, _____

EXHIBIT "A"



NOTICE

This map is solely for use in connection with the unitization of the Canyon Reef Pool in the Kelley-Snyder and Diamond "M" Fields. It shows individual tracts as occupied but is not intended to show the ground location of any survey, section or block line. Such survey, section and block lines and survey numbers as may be indicated hereon are intended solely as an index to the general location of individual tracts. Acceptance of this map for use in connection with the unit agreements shall not be construed as an acceptance or recognition of any survey line, section line or block line indicated hereon.

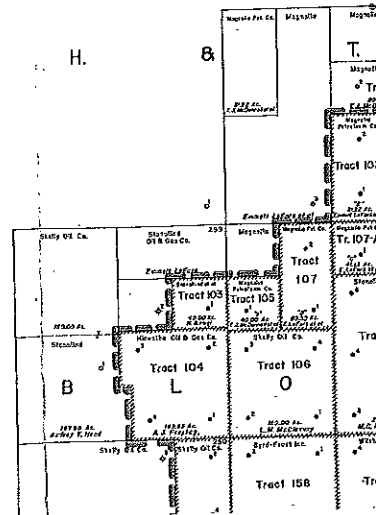
CERTIFICATE

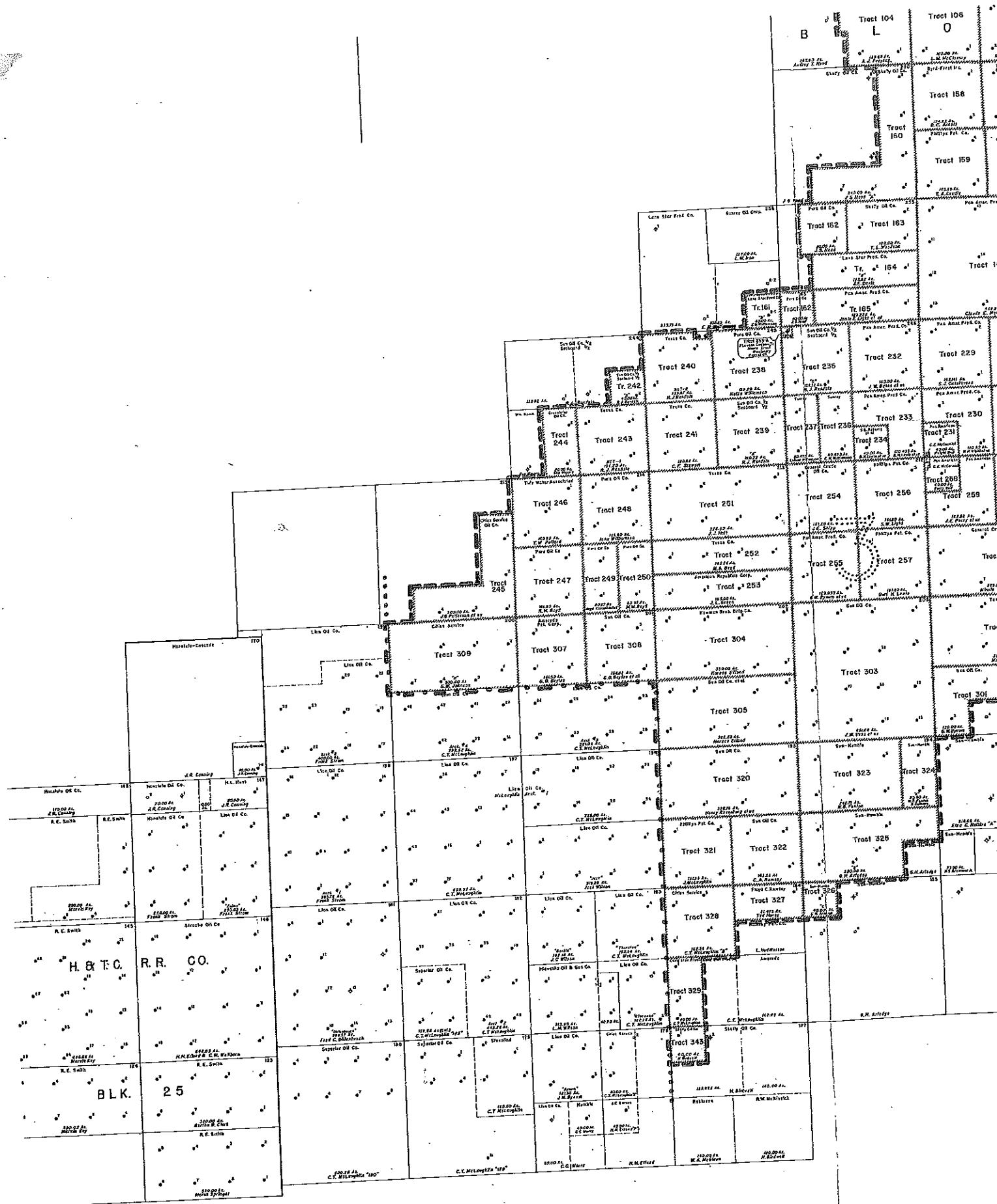
Prepared and certified by

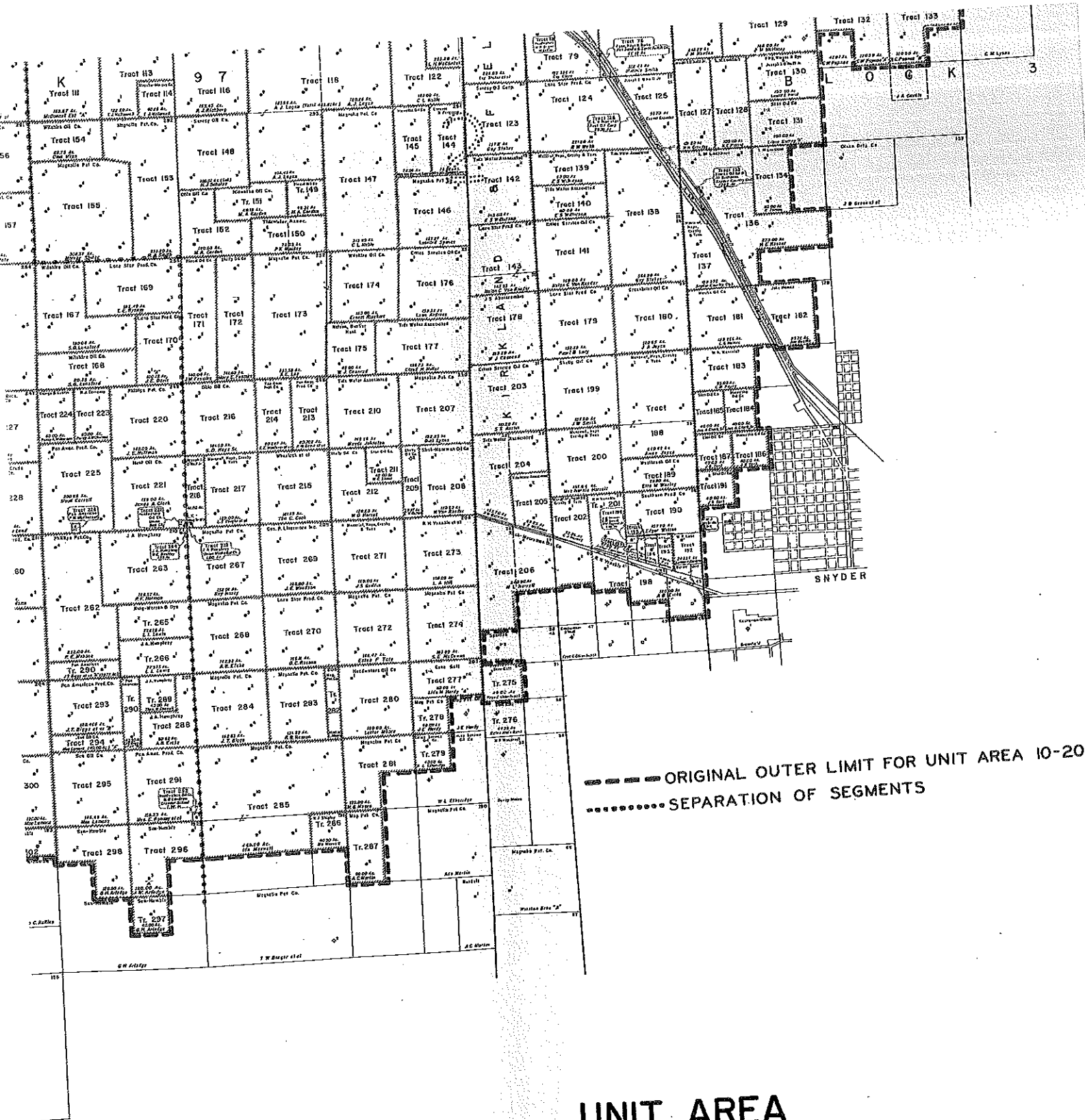
Houston, Texas
October 20, 1951.



Louis Lenz
Louis Lenz
Registered Professional
Civil Engineer.







UNIT AREA
KELLY-SNYDER & DIAMOND "M" FIELDS
SCURRY COUNTY, TEXAS

SCALE: 1"=5000'

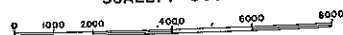


EXHIBIT "A"

EXHIBIT "B"

DESCRIPTION OF LAND WITHIN ORIGINAL OUTER LIMITS FOR UNIT AREA AS OF OCTOBER 20, 1951 H. & T. C. RR CO. SURVEY, BLOCK 97

Sec. 177	NW $\frac{1}{4}$ of NW $\frac{1}{4}$
Sec. 184	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ and W $\frac{1}{2}$ of SW $\frac{1}{4}$
Sec. 185	NW $\frac{1}{4}$ of NW $\frac{1}{4}$
Sec. 190	W $\frac{1}{2}$ of NW $\frac{1}{4}$
Sec. 191	N $\frac{1}{2}$ of N $\frac{1}{2}$
Sec. 192	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of SE $\frac{1}{4}$ and E $\frac{1}{2}$ of NW $\frac{1}{4}$ and NW $\frac{1}{4}$ of NW $\frac{1}{4}$
Sec. 193	W 80 acres of E 217.28 acres of N 433.86 acres, and N 40 acres out of E 137.28 acres of N 433.86 acres
Sec. 194	N $\frac{1}{2}$ and SW $\frac{1}{4}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$
Sec. 195	All of Section
Sec. 200	N $\frac{1}{2}$
Sec. 201	N $\frac{1}{2}$
Sec. 202	All of Section
Sec. 203	All of Section
Sec. 204	N $\frac{1}{2}$ and N $\frac{1}{2}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$ and N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$
Sec. 205	All of Section
Sec. 206	All of Section
Sec. 207	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of SE $\frac{1}{4}$ and NW $\frac{1}{4}$ and N $\frac{1}{2}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$
Sec. 208	All of Section
Sec. 209	All of Section
Sec. 210	All of Section
Sec. 211	All of Section
Sec. 212	All of Section
Sec. 213	All of Section
Sec. 214	All of Section
Sec. 215	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SW $\frac{1}{4}$
Sec. 244	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SW $\frac{1}{4}$ and SE $\frac{1}{4}$
Sec. 245	All of Section except 5 acres in NE corner of NW $\frac{1}{4}$
Sec. 246	All of Section
Sec. 247	All of Section
Sec. 248	All of Section
Sec. 249	All of Section
Sec. 250	All of Section
Sec. 251	All of Section
Sec. 252	All of Section
Sec. 253	All of Section
Sec. 254	All of Section

- Sec. 255 E 80 acres of W 120 acres of N 240 acres and S 40 acres of W 80 acres of S 327.146 acres; E 120 acres of N 240 acres; N 123.92 acres of E 248 acres of S $\frac{1}{2}$; and S 123.226 acres of E 248 acres of S $\frac{1}{2}$
- Sec. 256 SE $\frac{1}{4}$ of SE $\frac{1}{4}$
- Sec. 290 E $\frac{1}{2}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SW $\frac{1}{4}$
- Sec. 291 All of Section
- Sec. 292 All of Section
- Sec. 293 All of Section
- Sec. 294 All of Section
- Sec. 295 All of Section
- Sec. 296 All of Section
- Sec. 297 All of Section
- Sec. 298 E $\frac{1}{2}$ of NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of NW $\frac{1}{4}$ and SW $\frac{1}{4}$ and all of E $\frac{1}{2}$
- Sec. 299 169.85 acres out of the S $\frac{1}{2}$, beginning at the SE corner of said Section, thence northerly along its eastern boundary 2745 feet to a corner; thence westerly 2718 feet to a point for corner; thence southerly 1384 feet to a point for corner; thence easterly 272 feet to a point for corner; thence southerly 1351 feet to a point on the south line of said Section for corner; thence easterly along the south line of said Section, 2439 feet to the point of beginning.
- Sec. 335 SE $\frac{1}{4}$
- Sec. 336 All of Section
- Sec. 337 All of Section
- Sec. 338 All of Section
- Sec. 339 S $\frac{1}{2}$ and NE $\frac{1}{4}$ and S $\frac{1}{2}$ of NW $\frac{1}{4}$ and NE $\frac{1}{4}$ of NW $\frac{1}{4}$
- Sec. 340 E $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$
- Sec. 382 E $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and S $\frac{1}{2}$ of SE $\frac{1}{4}$ and NE $\frac{1}{4}$ of S $\frac{1}{2}$
- Sec. 383 All of Section
- Sec. 384 All of Section
- Sec. 385 N $\frac{1}{2}$ and SW $\frac{1}{4}$ and N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$
- Sec. 391 NW $\frac{1}{4}$ of NW $\frac{1}{4}$
- Sec. 392 All of Section
- Sec. 393 All of Section
- Sec. 394 All of Section
- Sec. 395 E $\frac{1}{2}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SE $\frac{1}{4}$
- Sec. 438 E $\frac{1}{2}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$
- Sec. 439 All of Section
- Sec. 440 All of Section
- Sec. 441 S $\frac{1}{2}$ and NW $\frac{1}{4}$ and W $\frac{1}{2}$ of NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of NE $\frac{1}{4}$
- Sec. 442 NW $\frac{1}{4}$ of NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$
- Sec. 447 W $\frac{1}{2}$ of SW $\frac{1}{4}$
- Sec. 448 All of Section
- Sec. 449 All of Section
- Sec. 450 All of Section
- Sec. 451 SE $\frac{1}{4}$ of NE $\frac{1}{4}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$
- Sec. 495 S $\frac{1}{2}$ of SE $\frac{1}{4}$
- Sec. 496 S $\frac{1}{2}$ and E $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$
- Sec. 497 W $\frac{1}{2}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$

DALLAS TRUST AND SAVINGS BANK SUBDIVISION OF GRIMES RANCH LANDS

Tract 1	All of Tract
Tract 2	S 160 acres, except NE $\frac{1}{4}$ thereof
Tract 3	All of Tract
Tract 4	All of Tract
Tract 5	All of Tract
Tract 6	All of Tract
Tract 7	All of Tract
Tract 8	All of Tract
Tract 9	All of Tract
Tract 10	All of Tract
Tract 11	All of Tract
Tract 12	All of Tract
Tract 13	All of Tract
Tract 14	All of Tract
Tract 15	All of Tract
Tract 16	All of Tract
Tract 17	All of Tract
Tract 18	All of Tract
Tract 19	All of Tract
Tract 20	All of Tract
Tract 21	All of Tract
Tract 22	All of Tract
Tract 23	All of Tract
Tract 31	All of Tract
Tract 32	All of Tract
Tract 33	All of Tract
Tract 34	All of Tract
Tract 35	All of Tract
Tract 36	All of Tract
Tract 37	All of Tract
Tract 38 } Tract 39 } Tract 40 }	Beginning at the NW corner of said Tract 38, Thence S 1° 05' W, 4161.1 ft. to the SW corner of said Tract 38; Thence E along the SBL of said Tract 38, 1330.1 ft. to a point for corner; Thence N 1° 05' E, 1395.0 ft. to a point for corner; Thence E 1745.9 ft. to a point for corner; Thence N 45.0 ft. to a point for corner; Thence E 1210.0 ft. to a point in the EBL of Tract 40; Thence N 1230.3 ft. to the NE corner of said Tract 40; Thence 70° 30' W along the NBL of said Tracts 40, 39 and 38, 4463.6 ft. to the place of beginning, containing 240 acres.
Tract 41	N 40 acres
Tract 42	N 40 acres
Tract 43	N 40 acres
Tract 50	All of Tract

J. P. SMITH SURVEY, BLOCK 1

Sec. 14

Beginning at the NE corner of said Section; Thence S along the EBL of said Section, 1711.1 ft. to a point for corner; Thence W 2741.7 ft. to a point for corner; Thence N 1711.1 ft. to a point for corner in the NBL of said Section; Thence E 2741.7 ft. to the place of beginning, containing 107.70 acres.

NE part of Section, described as follows: Beginning 225 vrs N of SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey, and in E line of Sec. 14 at a stake for corner; Thence N with E line of said Section, a distance of 377 vrs; Thence W at right angles with E line and parallel with N line of Section a distance of 377 vrs; Thence S 377 vrs; Thence E parallel with N line of Section, a distance of 377 vrs to place of beginning, containing 25.18 acres.

4.86 acres out of NE part of Section, described as follows: Beginning at a point 10.8 vrs N and 160 vrs N $70\frac{1}{2}^\circ$ W from SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey; Thence N 161.2 vrs; Thence W 226.5 vrs; Thence S 81.2 vrs; Thence S $70\frac{1}{2}^\circ$ E 240 vrs to place of beginning.

5 acres out of E part of Section, described as follows: Beginning on line of Sec. 14 at the SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey; Thence N with dividing line of Sec. 14 and Sec. 180, Blk 3, H&GN RR Co. Survey, 214.2 vrs to NE corner; Thence W 150.5 vrs to N corner; Thence S 161.2 vrs to SW corner; Thence S $70\frac{1}{2}^\circ$ E 160 vrs to place of beginning.

14 acres in NE part of Section, described as follows: Beginning at a point 602 vrs N and 391.4 vrs W of SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey; Thence W 180.4 vrs; Thence S 385.4 vrs to N line of Snyder-Gail Public Road; Thence S $70\frac{1}{2}^\circ$ E 200.2 vrs; Thence N 41.2 vrs to place of beginning.

N 9.71 acres in $S\frac{1}{2}$ of NE $\frac{1}{4}$ of Section, described as follows: Beginning at a point 602.0 vrs N and 579.8 vrs W of SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey; Thence W 156.8 vrs; Thence S 330.0 vrs to N line of Snyder-Gail Public Road; Thence S $70\frac{1}{2}^\circ$ E 174.0 vrs; Thence N 385.4 vrs to place of beginning.

4.81 acres out of NE part of Section, described as follows: Beginning at a point 602.0 vrs N and 825.8 vrs W of SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey; Thence S 75.1 vrs; Thence W 11.0 vrs; Thence S 223.9 vrs to N line of Snyder-Gail Public Road; Thence S $70\frac{1}{2}^\circ$ E 100.0 vrs; Thence N 330.0 vrs; Thence W 90.0 vrs to place of beginning.

2 acres out of NE part of Section, described as follows: Beginning at corner of a certain 37.8 acre tract out of Sec. 14, sold and conveyed to J. Monroe, et ux to W. W. Rogers, by deed of record, Book 58, page 108; Thence E 417.4 ft.; Thence S 208.7 ft.; Thence W 417.4 ft.; Thence N 208.7 ft. to place of beginning.

4.83 acres out of NE part of Section, described as follows: Beginning at a point 1044.0 vrs N $70\frac{1}{2}^{\circ}$ W from a point that is 10.8 vrs N from SW corner of Sec. 180, Blk 3, H&GN RR Co. Survey; Thence N 165.4 vrs; Thence E 139.2 vrs; Thence S 223.9 vrs; Thence N $70\frac{1}{2}^{\circ}$ W 158 vrs to place of beginning.

Sec. 15	S $\frac{1}{2}$ of SE $\frac{1}{4}$ and N $\frac{1}{2}$
Sec. 16	All of Section
Sec. 17	All of Section
Sec. 18	All of Section
Sec. 19	SE $\frac{1}{4}$
Sec. 21	N $\frac{1}{2}$ lying West of Clairmont Road

KIRKLAND & FIELDS SURVEY

Tract 19 of Sec. 40

Tract 20, being the N part of Sec. 39 and the S part of Sec. 40, containing 143.55 acres.

A part of Sec. 39, more particularly described as follows: Beginning on the EBL of said Sec. 39, at a point 698.9 ft. S of the NE corner thereof; Thence S along the EBL of said Sec. 39, 2555.56 ft. to a point for corner; Thence W 2733.33 ft. to a point for corner on the WBL of said Sec. 39; Thence N $4^{\circ} 0'$ E, along the WBL of said Section, 2558.59 ft. to a point for corner; Thence E, 2558.33 ft. to the place of beginning, containing 155.20 acres.

H. & G N RR CO. SURVEY, BLOCK 3

Sec. 120	W $\frac{1}{2}$ of NW $\frac{1}{4}$ and NW $\frac{1}{4}$ of SW $\frac{1}{4}$
Sec. 158	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and N $\frac{1}{2}$ of NW $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$
Sec. 159	All of Section
Sec. 160	All of Section
Sec. 177	All of Section
Sec. 178	W $\frac{1}{2}$ and W $\frac{1}{2}$ of NE $\frac{1}{4}$ and N $\frac{1}{2}$ of SE $\frac{1}{4}$

Sec. 179 Beginning at the NW corner of said Section; Thence S $89^{\circ} 57' 40''$ E, following the NBL of said Section, 2049.8 ft. to a point in the W line of the right of way of the RS&P Ry. Co.; Thence S $23^{\circ} 40' 30''$ E, following the W line of said right of way, 2463.7 ft. to a point for corner; Thence N $88^{\circ} 28' 30''$ W, 3042.1 ft. to a point in the WBL of said Section; Thence N $0^{\circ} 04' 40''$ E, along the WBL of said Section, 2179.8 ft. to the place of beginning, containing 129.286 acres.

Beginning at a point on the NBL of said Section, 753.9 ft. W of its NE corner; Thence S 2311.1 ft. to a point for corner; Thence W 1367.6 ft. to a point for corner in the W right of way line of the P&SF RR Co.; Thence N $24^{\circ} 21'$ W, along the W right of way line of said RR Co.; 2527.8 ft. to a point in said right of way line; Thence E along the NBL of said Section, 2395.1 ft. to the place of beginning, containing 99.72 acres.

W 83.03 acres out of N 118 acres out of S $\frac{1}{2}$.

E 40 acres out of SW 80 acres

W 40 acres out of S 80 acres of SW $\frac{1}{4}$.

Sec. 180	N $\frac{1}{2}$ of NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of NW $\frac{1}{4}$
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EXHIBIT "C"

NUMBERED TRACTS WITHIN ORIGINAL OUTER LIMITS FOR UNIT AREA, LISTED AND DESCRIBED

Num- bered Tract	DESCRIPTION	OPERATOR
1.	W $\frac{1}{2}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 497, Blk. 97, H&TC RR. Co. Survey.	The Texas Company
2.	E $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 496, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
3.	S $\frac{1}{2}$ of Sec. 496, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
4.	S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 495, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
5.	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 451, Blk. 97, H&TC RR. Co. Survey.	Stanolind Oil & Gas Co.
6.	NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 451, Blk. 97, H&TC RR. Co. Survey.	D. D. Feldman
7.	SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 451, Blk. 97, H&TC RR. Co. Survey.	George S. Hammonds
8.	N $\frac{1}{2}$ of Sec. 450, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
9.	S $\frac{1}{2}$ of Sec. 450, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
10.	N $\frac{1}{2}$ of Sec. 449, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
11.	S $\frac{1}{2}$ of Sec. 449, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
12.	All of Sec. 448, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
13.	W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 447, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
14.	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 442, Blk. 97, H&TC RR. Co. Survey.	J. L. Collins
15.	NW $\frac{1}{4}$ and W $\frac{1}{2}$ of NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of NE $\frac{1}{4}$, of Sec. 441, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
16.	S $\frac{1}{2}$ of Sec. 441, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
17.	N $\frac{1}{2}$ of Sec. 440, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
18.	S $\frac{1}{2}$ of Sec. 440, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
19.	N $\frac{1}{2}$ of Sec. 439, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
20.	S $\frac{1}{2}$ of Sec. 439, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
21.	E $\frac{1}{2}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 438, Blk. 97, H&TC RR. Co. Survey.	Humble Oil & Refining Co.
22.	E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 395, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
23.	E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 395, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
24.	NW $\frac{1}{4}$ of Sec. 394, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
25.	SW $\frac{1}{4}$ of Sec. 394, Blk. 97, H&TC RR. Co. Survey.	Southern Production Co.

Num-
bered
Tract

DESCRIPTION

OPERATOR

26.	E1/2 of Sec. 394, Blk. 97, H&TC RR. Co. Survey.	The Pure Oil Company
27.	N1/2 of Sec. 393, Blk. 97, H&TC RR. Co. Survey.	Cities Production Corporati
28.	S1/2 of Sec. 393, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
29.	N1/2 of Sec. 392, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
30.	S1/2 of Sec. 392, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
31.	NW1/4 of NW1/4 of Sec. 391, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
32.	N1/2 of Sec. 385, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
33.	SW1/4 and W1/2 of SE1/4 and NE1/4 of SE1/4 of Sec. 385, Blk. 97, H&TC RR. Co. Survey.	Skelly Oil Company
34.	N 170.08 acres out of Sec. 384, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
35.	N 160 acres out of S 480 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
36.	N 160 acres out of S 320 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
37.	S 160 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey.	Tide Water Associated Oi
38.	NE1/4 of Sec. 383, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
39.	SE1/4 of Sec. 383, Blk. 97, H&TC RR. Co. Survey.	The Pure Oil Company
40.	W1/2 of Sec. 383, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
41.	E1/2 of NE1/4 and SW1/4 of NE1/4 of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
42.	NE1/4 of SE1/4 and SW1/4 of SE1/4 of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
43.	SE1/4 of SE1/4 of Sec. 382, Blk. 97, H&TC RR. Co. Survey (Bell Unit)	Standard Oil Co. of Texas
44.	(Outside of original outer limits for Unit Area).	
45.	E1/2 of SE1/4 and SW1/4 of SE1/4 of Sec. 340, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
46.	S1/2 and NE1/4 of NW1/4 and S1/2 of NW1/4 of Sec. 339, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
47.	That portion of P.H.&S. Right-of-way, situated within S1/2 of Sec. 339, and S1/2 of NW 1/4 and NE1/4 of NW1/4 of Sec. 339, Blk. 97, H&TC RR. Co. Survey.	Standard Oil Co. of Texas
48.	NE1/4 of Sec. 339, Blk. 97, H&TC RR. Co. Survey.	Sunray Oil Corporation
49.	Tracts 9 and 10 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Sunray Oil Corporation
50.	Tract 11 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Lipscomb and DeLange
51.	Tract 17 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Sunray Oil Corporation
52.	W1/2 of Tract 12 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Joseph I. O'Neill, Jr.
53.	E1/2 of Tract 12 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	King, Warren and Dy

Num-
bered
Tract

DESCRIPTION

OPERATOR

- | | | |
|-----|--|--|
| 54. | Tract 16 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Magnolia Petroleum Company |
| 55. | Tract 8 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Sunray Oil Corporation |
| 56. | All that part of N½ of Sec. 21, Blk. 1, J. P. Smith Survey lying W of Clairmont Road, and Tract 13 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Sunray Oil Corporation |
| 57. | Tract 15 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Ryan Oil Company |
| 58. | 79.50 acres being the W part of Tract 7 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Standard Oil Co. of Texas |
| 59. | E 85.5 acres of Tract 7 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Sunray Oil Corporaiton |
| 60. | Tract 14 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | J. J. Nolan |
| 61. | 136.70 acres being all of Tract 6 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Sunray Oil Corporation |
| 62. | FIRST TRACT: Being all of Tract 3 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.
SECOND TRACT: Being the W 69.9 acres of Tract 4 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Claud B. Hamill |
| 63. | W 157.60 acres of N 277.60 acres of Sec. 22, Blk. 1, J. P. Smith Survey. | Floyd C. Ramsey |
| 64. | S 160 acres of Tract 2 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, except NE¼ thereof. | Sunray Oil Corporation |
| 65. | Tracts 1 and 5 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Tide Water Associated Oil Co. |
| 66. | W½ of NW¼ and NW¼ of SW¼ of Sec. 120, Blk. 3, H&GN RR. Co. Survey. | The Texas Company |
| 67. | N½ of Sec. 159, Blk. 3, H&GN RR. Co. Survey. | Sunray Oil Corporation |
| 68. | S½ of Sec. 159, Blk. 3, H&GN RR. Co. Survey. | Ralph A. Johnston and
William G. Johnston |
| 69. | NE¼ of Sec. 160, Blk. 3, H&GN RR. Co. Survey. | Joseph I. O'Neill, Jr. |
| 70. | SE¼ of Sec. 160, Blk. 3, H&GN RR. Co. Survey. | Joseph I. O'Neill, Jr. |
| 71. | NW¼ of Sec. 160, Blk. 3, H&GN RR. Co. Survey. | Moncrief, Hope, Crosby and
Teas |
| 72. | FIRST TRACT: SW¼ of Sec. 160, Blk. 3, H&GN RR. Co. Survey.
SECOND TRACT: W 80 acres out of N 240 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey. | Sunray Oil Corporation |
| 73. | SE¼ of Sec. 19, Blk. 1, J. P. Smith Survey. | Joseph I. O'Neill, Jr. |
| 74. | SW¼ of Sec. 19, Blk. 1, J. P. Smith Survey. | Seaboard Oil Co. of Delaware |
| 75. | E½ of Sec. 18, Blk. 1, J. P. Smith Survey. | Magnolia Petroleum Company |

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76. All that certain strip or tract of land situated in Sec. 338, Blk. 97, H&TC RR. Co. Survey; Sec. 40, Kirkland & Fields; Secs. 18 and 17, J. P. Smith; and Sec. 178, Blk. 3, H&GN RR. Co. Survey, and more particularly described as follows: Running in a diagonal NW SE line and being the right of way of the P&SF RR. Co. as presently located on the ground, and containing 66.12 acres, more or less. Ryan, Hays and Burke
77. N 145.8 acres of W $\frac{1}{2}$ of Sec. 18, Blk. 1, J. P. Smith Survey. Joseph I. O'Neill, Jr.
78. That part of Sec. 18 lying between Highway 84 and S right of way line of abandoned RS&P RR. Co., Blk. 1, J. P. Smith Survey, containing 9.74 acres. Headwaters Oil Company
79. All that certain tract, lot, or parcel of land situated in the State of Texas, County of Scurry, out of the J. P. Smith Survey, Blk. 1, Section 18, and being the same land described in a deed from Lincoln Natl. Life to Guy Glenn as recorded in Vol. 69, page 275 Deed Records Scurry County, Texas, and being more fully described as follows, to wit: Lone Star Producing Company
- FIRST TRACT**
BEGINNING at a point in the East line Kirkland and Fields Survey and the West boundary line said J. P. Smith Survey, said point being the SW corner said Section 18 and the NW corner R. W. Webb tract for the SW corner of the tract herein described; **THENCE** N 0° 21' E along East line said Kirkland and Fields Survey and the West line said J. P. Smith Survey a distance of 2919.7 ft. to a point on the center line of U. S. Hwy. No. 84 for the NW corner this tract, said point being a distance of 2216.8 feet S 0° 21' W along said East line said Kirkland & Fields Survey and West line said J. P. Smith Survey from the NW corner said Section 18 and the SW corner Section 19; **THENCE** S 51° 21' E along the centerline said U. S. Hwy. No. 84, a distance of 2359.2 ft. to the point of tangency of a 2° 00' curve in said Hwy. 84;
THENCE along centerline of said 2° 00' curve in said U. S. Hwy. 84 to the point of curve thereof, the radius of said curve being 2864.93 ft., and the chordal distance being 1037.6', and the central angle said curve being 20° 52';
THENCE S 30° 29' E along centerline said Hwy., a distance of 359.4 ft. to the point of intersection of said centerline Hwy. 84 with East and West half

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section line said Section 18 for a corner of the tract herein described;

THENCE S $0^{\circ} 21'$ W along said half section line a distance of 307.6 ft. to a point in the South line said Section 18 and the North line said R. W. Webb tract, said point being 163.1 feet N $89^{\circ} 37'$ W along South line said Sec. 18 from intersection said South line Section 18 with the South R/W said U. S. Hwy. No. 84, said point also being the SE corner of the tract herein described;

THENCE N $89^{\circ} 37'$ W along the South line said Section 18 and the North line said R. W. Webb tract, a distance of 2721.3 feet to the place of beginning and containing 112.651 acres of land more or less.

SECOND TRACT

BEGINNING at the point of intersection of West line said J. P. Smith Survey and the East line said Kirkland & Fields Survey with the South R/W of P. & S. F. RR. for the North corner this tract, said point being a distance of 653.8 ft. S $0^{\circ} 21'$ W along the West line said J. P. Smith Survey from the NW corner said Section 18;

THENCE S $36^{\circ} 28'$ E along the South R/W said P. & S. F. RR. a distance of 3516.9 ft. to the point of curve of a $0^{\circ} 30'$ curve in said R/W;

THENCE in a Southeasterly direction along said $0^{\circ} 30'$ curve in said South R/W, a distance of 1100 ft. to the intersection of said South R/W P. & S. F. RR. with said East & West half Section line of said Section 18 for a corner of the tract herein described, the chordial distance of said curve being 1098.5 feet and the central angle being $5^{\circ} 30'$;

THENCE S $0^{\circ} 21'$ W along the half Section line said Section 18 a distance 290.2 feet to a point in the South boundary R. S. & P. abandoned RR. for the South corner of the tract herein described, said point being a distance of 468.1 ft. N $0^{\circ} 21'$ E along said half Section line from the South boundary line said Section 18 and North line R. W. Webb tract;

THENCE N $30^{\circ} 30'$ W along the South R/W said R. S. & P. abandoned RR., a distance of 342.1 ft. to a point of curve of a $2^{\circ} 15'$ curve in said R. S. & P. RR. South R/W;

THENCE along said curve a distance of 689 ft. to the point of tangency of said curve, the chordial distance of said curve being 686.4 ft., the central angle being $15^{\circ} 44'$, and the radius being 2550.93 ft.;

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THENCE N 46° 18' W along the South R/W said R. S. & P. abandoned RR., a distance of 2922.8 ft. to a point in the West line said J. P. Smith Survey and the East line said Kirkland and Fields Survey for a corner of the tract herein described;

THENCE N 0° 21' E along the West line said J. P. Smith Survey a distance of 1173.9 ft. to the place of beginning and containing 39.735 acres of land more or less.

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| 80. | 1.34 acres out of NW corner of NW $\frac{1}{4}$ of Sec. 18, Blk. 1, J. P. Smith Survey. | Star Oil Company |
| 81. | 74.59 acres, being all of Tract 18 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, less 1.34 acres out of NW corner thereof. | Lone Star Producing Co. |
| 82. | W 31.04 acres out of Tract 20 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Joseph I. O'Neill, Jr. |
| 83. | Part of Sec. 40, Kirkland & Fields Survey, being a tract of land occupied and used by RS&P RR. Co. as right of way prior to the abandonment thereof, and described as: BEGINNING at the intersection of the C L of said Ry. main track and the W B L of Sec. 40, and 295.2 vrs. N for a stone set for SE corner of Sec. 338, Blk. 97, H&TC RR. Co. Survey; Thence S 47 deg. 13 min. E including a strip of land 100' in width, being 50' on each side of said C L a distance of 1606' to the intersection of said Ry right of way, containing 3.79 acres of land. | Sunray Oil Corporation |
| 84. | E 35.28 acres out of Tract 20 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Lone Star Producing Co. |
| 85. | Tracts 21 and 22 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | J. S. Abercrombie |
| 86. | E $\frac{1}{2}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey, except 8.76 acres RS&P RR. Co. Right of way. | Magnolia Petroleum Comp |
| 86-A. | 8.76 acres RS&P RR. Co. Right of Way across Sec. 338, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Comp |
| 87. | E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey. | Tide Water Associated Oil |
| 88. | W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Comp |
| 89. | E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Comp |
| 90. | W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey. | Tide Water Associated Oil |
| 91. | E $\frac{1}{2}$ of Sec. 337, Blk. 97, H&TC RR. Co. Survey. | Placid Oil Company |
| 92. | W $\frac{1}{2}$ of Sec. 337, Blk. 97, H&TC RR. Co. Survey. | Sunray Oil Corporation |
| 93. | NE $\frac{1}{4}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Comp |
| 94. | SE $\frac{1}{4}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Comp |

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95.	NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
96.	SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
97.	NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
98.	SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey.	Esperado Mining Company
99.	W $\frac{1}{2}$ of W $\frac{1}{2}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
100.	(Outside of original outer limits for Unit Area).	
101.	E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
102.	W $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
103.	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 299, Blk. 97, H&TC RR. Co. Survey.	Stanolind Oil & Gas Co.
104.	169.85 acres out of the South half of Sec. 299, Blk. 97, H&TC RR. Co. Survey, beginning at the SE corner of said Section; thence northerly along its eastern boundary 2745 feet to a corner; thence westerly 2718 feet to a point for corner; thence southerly 1384 feet to a point for corner; thence easterly 272 feet to a point for corner; thence southerly 1351 feet to a point on the south line of said Sec. 299 for corner; thence easterly along the south line of said Sec. 299, 2439 feet to the point of beginning.	Hiawatha Oil & Gas Co.
105.	SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
106.	SW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	Skelly Oil Company
107.	E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
107-A.	NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
108.	NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
109.	S 246 acres out of E $\frac{1}{2}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	Stanolind Oil & Gas Co.
110.	NW $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
111.	SW $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
112.	NE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
113.	N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
114.	SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	Stroube-Marcus et al
115.	NW $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	Sunray Oil Corporation
116.	SW $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	Tide Water Associated Oil Co.

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117.	NE $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	Sunray Oil Corporation
118.	SE $\frac{1}{4}$ of Sec. 296; and SW $\frac{1}{4}$ of Sec. 295; and NE $\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
119.	W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.	Carter and Mandel Company
120.	E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.	Placid Oil Company
121.	NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
122.	Beginning at the SE corner of Sec. 295, Blk. 97, H&TC RR. Co. Survey; thence N 469.36 vrs. along the E line of said survey; thence N 89° 16' 3" W 495.22 vrs.; thence N 0° 38' 11" E 499.77 vrs.; thence N 89° 40' 40" W 474.91 vrs.; thence S 0° 12' 17" W 976.20 vrs. to a point on the South line of said Sec. 295; thence S 89° 53' 1" E 968.02 vrs. along the South line of said Sec. 295 to the point of beginning, containing 123 acres.	The Pure Oil Company
123.	Tract 23 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Sunray Oil Corporation
124.	Tract 24 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Lone Star Producing Co.
125.	Tract 26 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Joseph I. O'Neill, Jr.
126.	Being that portion of the abandoned RS&P RR. Co. right of way lying in a diagonal SE line between W line of E $\frac{1}{2}$ of Sec. 18, Blk. 1, J. P. Smith Survey, and approximately the S line of N $\frac{1}{2}$ of Sec. 179, Blk. 3, H&GN RR. Co. Survey, and containing 29.38 acres more or less.	E. L. Wilson
127.	W 101.20 acres out of S 401.20 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	Joseph I. O'Neill, Jr.
128.	E 100 acres out of SW part of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	L. M. Lockhart
129.	E 160 acres out of N 240 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	L. M. Lockhart
130.	N 100 acres of the E 200 acres of the S 401.20 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	King, Warren and Dye
131.	S 100 acres out of SE $\frac{1}{4}$ of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	Star Oil Company
132.	N $\frac{1}{2}$ of NW $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 158, Blk. 3, H&GN RR. Co. Survey.	Cities Service Oil Co.
133.	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 158, Blk. 3, H&GN RR. Co. Survey.	Cities Service Oil Co.
134.	W $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 178, Blk. 3, H&GN RR. Co. Survey.	L. M. Lockhart

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| 135. | 1.263 acres, more or less, in Sec. 178, Blk. 3, H&GN RR. Co. Survey, described as follows: BEGINNING at a stake set in E line of County Highway which stake is 60' NE from a point in EBL of P&NT RR. Co. right of way and in line with the N end of a concrete bridge, from said point, being 883' SE of a square oak post set in W line of Sec. 178, Blk. 3, H&GN RR. Co. Survey, said post being 835½' S of NW corner of said Sec. 178; Thence in a southeasterly direction along said E line of said highway, a distance of 430' to a large mesquite post in the fence for corner of this tract; Thence N 40 deg. E, a distance of 68' to stake for corner; Thence in a Northwesterly direction and parallel with said Highway, 430' to a large cedar post in fence on N side of draw; Thence in a southwesterly direction a distance of 68' to place of beginning, together with the area in County Road #7 contiguous to this tract. | Blanco Oil Company |
| 136. | N½ of SE¼ and W½ of Sec. 178, lying N and E of the RR. right of way. | L. M. Lockhart |
| 137. | All that part of W½ of Sec. 178, Blk. 3, H&GN RR. Co. Survey, lying South and West of U. S. Hwy. 84, and containing 109.532 acres. | Moncrief, Hope, Crosby and Teas |
| 138. | Tracts 27 and 28 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Tide Water Associated Oil Co. |
| 139. | N 80 acres of SW¼ of Sec. 17, Blk. 1, J. P. Smith Survey. | Moncrief, Hope, Crosby and Teas |
| 140. | S½ of SW¼ of Sec. 17, Blk. 1, J. P. Smith Survey. | Tide Water Associated Oil Co. |
| 141. | NW¼ of Sec. 16, Blk. 1, J. P. Smith Survey. | Cities Service Oil Co. |
| 142. | Tract 19 of Sec. 40, Kirkland & Fields Subdivision. | Tide Water Associated Oil Co. |
| 143. | Lot 20 being S part of Sec. 40 and N part of Sec. 39 Kirkland and Fields Survey. | Lone Star Producing Co. |
| 144. | E½ of NE¼ of Sec. 294, Blk. 97, H&TC RR. Co. Survey. | Conover & Ferguson |
| 145. | W½ of NE¼ of Sec. 294, Blk. 97, H&TC RR. Co. Survey. | Hiawatha Oil & Gas Co. |
| 146. | SE¼ of Sec. 294, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Company |
| 147. | W½ of Sec. 294, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Company |
| 148. | NW¼ of Sec. 293, Blk. 97, H&TC RR. Co. Survey. | Sunray Oil Corporation |
| 149. | NE¼ of SE¼ of Sec. 293, Blk. 97, H&TC RR. Co. Survey. | Placid Oil Company |
| 150. | S½ of SE¼ of Sec. 293, Blk. 97, H&TC RR. Co. Survey. | Tide Water Associated Oil Co. |
| 151. | NE¼ of SW¼ and NW¼ of SE¼ of Sec. 293, Blk. 97, H&TC RR. Co. Survey. | Hiawatha Oil & Gas Co. |
| 152. | S½ of SW¼ and NW¼ of SW¼ of Sec. 293, Blk. 97, H&TC RR. Co. Survey. | Ohio Oil Company |

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153. Being a part of Sec. 292, Blk. 97, H&TC RR. Co. Survey, more particularly described as follows: BEGINNING at the NE cor. of Sec. 292; Thence S 1° 27' 20" W along the EBL of said Section, 5166.6 ft. to the SE cor. of same; Thence N 88° 28' 40" W along the SBL of said Section, 1735.8 ft. to a point for corner; Thence N 1° 15' 20" E, 3565.2 ft. to a point for corner; Thence N 77° 45' 20" W, 961.2 ft. to a point for corner; Thence N 1° 01' 30" E, 1422.7 ft. to a point in the NBL of said Sec. 292; Thence S 88° 28' 30" E along the NBL of said Section, 2703.1 ft. to the place of beginning, containing 239.80 acres. Magnolia Petroleum Company
154. Being a part of Sec. 292, Blk. 97, H&TC RR. Co. Survey, more particularly described as follows: BEGINNING at the NW cor. of said Sec. 292; Thence E along the NBL of said section, 2665 ft. to a point for corner; Thence S 1418 ft. to a point for corner; Thence W 2665 ft. to a point for corner on the WBL of said section; Thence N 1418 ft. to the place of beginning, containing 86.75 acres. Wilshire Oil Company, Inc.
155. Being part of Sec. 292, Blk. 97, H&TC RR. Co. Survey, more fully described as follows: BEGINNING at the SW cor. of said Sec. 292; Thence N 1° 14' 10" E, along the WBL of said section, 3738.8 ft. to a point for corner; Thence S 88° 35' 20" E, 2669.1 ft. to a point for corner; Thence S 77° 45' 20" E, 961.2 ft. to a point for corner; Thence S 1° 15' 20" W, 3565.2 ft. to a point for corner in the SBL of said Sec. 292; Thence N 88° 28' 40" W along the SBL of said section, 3611.5 ft. to the place of beginning, containing 308.37 acres. Magnolia Petroleum Company
156. NE¼ of Sec. 291, Blk. 97, H&TC RR. Co. Survey. Wilshire Oil Company, Inc.
157. SE¼ of Sec. 291, Blk. 97, H&TC RR. Co. Survey. Phillips Petroleum Company
158. NW¼ of Sec. 291, Blk. 97, H&TC RR. Co. Survey. Byrd-Frost, Inc.
159. SW¼ of Sec. 291, Blk. 97, H&TC RR. Co. Survey. Phillips Petroleum Company
160. E½ of E½ and SW¼ of SE¼ and SE¼ of SW¼ of Sec. 290, Blk. 97, H&TC RR. Co. Survey. Skelly Oil Company
161. 40 acres in the form of a square out of the SE¼ of SE¼ of Sec. 256, Blk. 97, H&TC RR. Co. Survey. Lone Star Producing Co.
162. E 80 acres of W 120 acres of N 240 acres and S 40 acres of W 80 acres of S 327.146 acres of Sec. 255, Blk. 97, H&TC RR. Co. Survey. The Pure Oil Company
163. E 120 acres of N 240 acres of Sec. 255, Blk. 97, H&TC RR. Co. Survey. Skelly Oil Company
164. N 123.92 acres of E 248 acres of S½ of Sec. 255, Blk. 97, H&TC RR. Co. Survey. Lone Star Producing Co.

Num- bered Tract	DESCRIPTION	OPERATOR
165.	S 123.226 acres of E 248 acres of S½ of Sec. 255, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
166.	All of Sec. 254, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
167.	Being a part of Sec. 253, Blk. 97, H&TC RR Co. Survey, described as follows: BEGINNING at the NW cor. of said Sec. 253; Thence E along the NBL of said section, 1786.1 ft. to a point for corner; Thence S 2030.3 ft. to a point for corner; Thence E 1878.7 ft. to a point for corner; Thence S 1282.1 ft. to a point for corner; Thence W 3654.0 ft. to a point for corner in the WBL of said Sec. 253; Thence N along the WBL of said Sec. 253, 3302.3 ft. to the place of beginning, containing 190.04 acres.	Wilshire Oil Company, Inc.
168.	Being part of Sec. 253, Blk. 97, H&TC RR Co. Survey, more fully described as follows: BEGINNING at the SW cor. of said Sec. 253; Thence N along the WBL of said Section, 1319.1 ft. to a point for corner; Thence E 3644.0 ft. to a point for corner; Thence S 1319.1 ft. to a point for corner, in the SBL of said Sec. 253; Thence W along the SBL of said Section 3644.0 ft. to the place of beginning, containing 110.35 acres.	Wilshire Oil Company, Inc.
169.	Being part of Sec. 253, Blk. 97, H&TC RR Co. Survey, more particularly described as follows: BEGINNING at the NE cor. of said Sec. 253; Thence S 3° 51' W along the EBL of said Section 1993.8 ft. to a point for corner; Thence N 89° 08' W, 1679.1 ft. to a point for corner; Thence N 3° 32' E, 2029.8 ft. to a point for corner in the NBL of said Sec. 253; Thence S 88° 33' E, following the NBL of said Section, 3547.8 ft. to the place of beginning, containing 163.49 acres.	Lone Star Producing Co.
170.	Being a part of Sec. 253, Blk. 97, H&TC RR Co. Survey, more particularly described as follows: BEGINNING at the SE cor. of said Sec. 253; Thence N 88° 39' W, along the SBL of said Section, 1665.0 ft. to a point for corner; Thence N 3° 33' E, 2600.1 ft. to a point for corner; Thence S 89° 08' E, 1679.1 ft. to a point for corner in the EBL of said Sec. 253; Thence S 3° 51' W, 2615.0 ft. to the place of beginning, containing 100.12 acres.	Lone Star Producing Co.
171.	W 140.04 acres out of W 281.64 acres of Sec. 252, Blk. 97, H&TC RR. Co. Survey.	Placid Oil Company
172.	E 141.60 acres of W 281.64 acres of Sec. 252, Blk. 97, H&TC RR. Co. Survey.	Skelly Oil Company
173.	W 10 acres of NW¼ of Sec. 251, and E 283.58 acres of Sec. 252, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company

Num- bered Tract	DESCRIPTION	OPERATOR
174.	E 150 acres out of NW $\frac{1}{4}$ of Sec. 251, Blk. 97, H&TC RR. Co. Survey.	Wilshire Oil Company, Inc.
175.	W 83 acres out of S 242.73 acres of Sec. 251, Blk. 97, H&TC RR. Co. Survey.	Nelson Bunker Hunt
176.	NE $\frac{1}{4}$ of Sec. 251, Blk. 97, H&TC RR. Co. Survey.	Cities Service Oil Co.
177.	E 159.72 acres out of S 242.72 acres of Sec. 251, Blk. 97, H&TC RR. Co. Survey.	Tide Water Associated Oil
178.	Being a part of Sec. 39 of the Kirkland & Fields Survey, more particularly described as follows: BEGINNING on the EBL of said Sec. 39, at a point 698.9 ft. S of the NE corner thereof; Thence S along the EBL of said Sec. 39, 2555.56 ft. to a point for corner; Thence W 2733.33 ft. to a point for corner on the WBL of said Sec. 39; Thence N 4° 0' E, along the WBL of said Section, 2558.59 ft. to a point for corner; Thence E, 2558.33 ft. to the place of beginning, containing 155.20 acres.	J. S. Abercrombie
179.	158.38 acres being Tract 30 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Lone Star Producing Co.
180.	SE $\frac{1}{4}$ of Sec. 16, Blk. 1, J. P. Smith Survey.	Greenbrier Oil Company
181.	Being part of Sec. 179, Blk. 3, H&GN RR Co. Survey, more particularly described as follows: BEGINNING at the NW cor. of said Sec. 179; Thence S 89° 57' 40" E, following the NBL of said Section, 2049.8 ft. to a point in the W line of the right of way of the RS&P Ry. Co.; Thence S 23° 40' 30" E, following the W line of said right of way, 2463.7 ft. to a point for corner; Thence N 88° 28' 30" W, 3042.1 ft. to a point in the WBL of said Sec. 179; Thence N 0° 04' 40" E, along the WBL of said Sec. 179, 2179.8 ft. to the place of beginning, containing 129.286 acres.	Warren Oil Corporation
182.	Being a part of Sec. 179, Blk. 3, H&GN RR Co. Survey, more particularly described as follows: BEGINNING at a point on the NBL of said Sec. 179, 753.9 ft. W of its NE cor.; Thence S, 2311.1 ft. to a point for corner; Thence W 1367.6 ft. to a point for corner in the W right of way line of the P&SF RR Co.; Thence N 24° 21' W, along the W right of way line of said RR Co., 2527.8 ft. to a point in said right of way line; Thence E along the NBL of said Sec. 179, 2395.1 ft. to the place of beginning, containing 99.72 acres.	Jake Hamon
183.	W 83.03 acres out of N 118 acres out of S $\frac{1}{2}$ of Sec. 179, Blk. 3, H&GN RR. Co. Survey.	W. A. Moncrief, Jr.
184.	E 40 acres out of SW 80 acres of Sec. 179, Blk. 3, H&GN RR. Co. Survey.	Hiawatha Oil & Gas Co.
185.	W 40 acres out of S 80 acres of SW $\frac{1}{4}$ of Sec. 179, Blk. 3, H&GN RR. Co. Survey.	Star Oil Company

Numbered Tract	DESCRIPTION	OPERATOR
186.	N 40 acres of E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 180, Blk. 3, H&GN RR. Co. Survey.	Hiawatha Oil & Gas Co.
187.	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 180, Blk. 3, H&GN RR. Co. Survey.	Star Oil Company
188.	NE $\frac{1}{4}$ and N $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 15, Blk. 1, J. P. Smith Survey.	Moncrief, Hope, Crosby and Teas
189.	S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 15, Blk. 1, J. P. Smith Survey.	Westbrook Oil Corporation
190.	Being a part of Sec. 14, Blk. 1, J. P. Smith Survey, more particularly described as follows: BEGINNING at the NE cor. of said Sec. 14; Thence S along the EBL of said Section, 1711.1 ft. to a point for corner; Thence W 2741.7 ft. to a point for corner; Thence N 1711.1 ft. to a point for corner in the NBL of said Sec. 14; Thence E 2741.7 ft. to the place of beginning, containing 107.70 acres.	Southern Production Co.
191.	SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 180, Blk. 3, H&GN RR. Co. Survey.	Star Oil Company
192.	FIRST TRACT NE part of Sec. 14, Blk. 1, J. P. Smith Survey, described as follows: BEGINNING 225 vrs. N of SW cor. of Sec. 181, Blk. 3, H&GN RR. Co. Survey, and in E line of Sec. 14, Blk. 1, J. P. Smith Survey, a stk. for corner; Thence N with E line of said Sec. 14, a distance of 377 vrs; Thence W at right angles with E line and parallel with N line of Sec. 14 a distance of 377 vrs; Thence S 377 vrs; Thence E parallel with N line of Sec. 14, a distance of 377 vrs to place of beginning, containing 25.18 acres. SECOND TRACT 4.86 acres out of NE part of Sec. 14, Blk. 1, J. P. Smith Survey, described as follows: BEGINNING at a point 10.8 vrs N and 160 vrs N 70 $\frac{1}{2}$ deg. W from SW corner of Sec. 180, Blk. 3, H&GN RR Co. Survey; Thence N 161.2 vrs; Thence W 226.5 vrs; Thence S 81.2 vrs; Thence S 70 $\frac{1}{2}$ deg. E 240 vrs. to place of beginning. THIRD TRACT 5 acres out of E part of Sec. 14, Blk. 1, J. P. Smith Survey, described as follows: BEGINNING on E line of Sec. 14 at the SW Corner of Sec. 180, Blk. 3, H&GN RR Co. Survey; Thence N with dividing line of Sec. 14 and Sec. 180, Blk. 3, H&GN RR. Co. Survey 214.2 vrs to NE corner this tract; Thence W 150.5 vrs to NW cor.; Thence S 161.2 vrs to SW cor.; Thence S 70 $\frac{1}{2}$ deg. E 160 vrs to place of beginning.	W. P. Luse
193.	14 acres in NE part of Sec. 14, Blk. 1, J. P. Smith Survey described as follows: BEGINNING at a point 602 vrs N and 391.4 vrs W of SW corner of Sec. 180, Blk. 3, H&GN RR. Co. Survey; Thence W 180.4 vrs;	W. P. Luse

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Tract

DESCRIPTION

OPERATOR

- Thence S 385.4 vrs to N line of Snyder-Gail Public Road; Thence S 70½ deg. E 200.2 vrs; Thence N 453.2 vrs to place of beginning.
194. N 9.71 acres in S½ of NE¼ of Sec. 14, Blk. 1, J. P. Smith Survey, described as follows: BEGINNING at a point 602.0 vrs N and 579.8 vrs W of SW cor. of Sec. 180, Blk. 3, H&GN RR. Co. Survey; Thence W 156.8 vrs; Thence S 330.0 vrs to N line of Snyder-Gail Public Road; Thence S 70½ deg. E 174.0 vrs; Thence N 385.4 vrs to place of beginning. J. H. Moore and C. H. Sweet
195. 4.81 acres out of NE part of Sec. 14, Blk. 1, J. P. Smith Survey, described as follows: BEGINNING at a point 602.0 vrs N and 825.8 vrs W of SW corner of Sec. 180, Blk. 3, H&GN RR. Co. Survey; Thence S. 75.1 vrs; Thence W 11.0 vrs.; Thence S 223.9 vrs to N line of Snyder-Gail Public Road; Thence S 70½ deg. E 100.0 vrs; Thence N 330.0 vrs; Thence W 90.0 vrs to place of beginning. Star Oil Company
196. 2 acres out of NE part of Sec. 14, Blk. 1, J. P. Smith Survey, described as follows: BEGINNING at NW corner of a certain 37.8 acre tract out of Sec. 14, sold and conveyed by J. Monroe, et ux to W. W. Rogers, by deed of record, Book 58, page 170; Thence E. 417.4 ft.; Thence S 208.7 ft.; Thence W 417.4 ft.; Thence N 208.7 ft. to place of beginning. J. H. Moore and C. H. Sweet
197. 4.83 acres out of NE part of Sec. 14, Blk. 1, J. P. Smith Survey and described as follows: BEGINNING at a point 1044.0 vrs N 70½ deg. W from a point that is 10.8 vrs N from SW corner of Sec. 180, Blk. 3, H&GN RR. Co. Survey; Thence N 165.4 vrs; Thence E 139.2 vrs; Thence S 223.9 vrs; Thence N 70½ deg. W 158 vrs to place of beginning. Blanco Oil Corporation
198. N 40 acres of Tract 41, N 40 acres of Tract 42, and N 40 acres of Tract 43, Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. R. H. Venable
199. NW¼ of Sec. 15, Blk. 1, J. P. Smith Survey. Skelly Oil Company
200. Tract 34 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, being a part of Sec. 14, Blk. 1, J. P. Smith Survey. Moncrief, Hope, Crosby Teas
201. Tract 37 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, being a part of Sec. 14, Blk. 1, J. P. Smith Survey. R. H. Venable
202. Tract 36 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. Moncrief, Hope, Crosby Teas
203. Tract 31 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. Cities Service Oil Co.

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Tract

DESCRIPTION

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| 204. | Tract 32 and N 50 acres of Tract 33 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Tide Water Associated Oil Co. |
| 205. | South 69.65 acres of Tract 33 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. | Tide Water Associated Oil Co. |
| 206. | Being out of Tracts 38, 39 and 40, of the Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, in the Kirkland & Fields Survey and the J. P. Smith Blk. 1, Survey Scurry County, Texas, more fully described as follows: BEGINNING at the NW corner of said Tract 38, Thence S 1° 05' W, 4161.1 ft. to the SW corner of said Tract 38; Thence E along the SBL of said Tract 38, 1330.1 ft. to a point for corner; Thence N 1° 05' E, 1395.0 ft. to a point for corner; Thence E 1745.9 ft. to a point for corner; Thence N 45.0 ft. to a point for corner; Thence E 1210.0 ft. to a point in the EBL of Tract 40; Thence N 1230.3 ft. to the NE corner of said Tract 40; Thence 70° 30' W along the NBL of said Tracts 40, 39, and 38, 4463.6 ft. to the place of beginning, containing 240.00 acres. | Slick-Moorman Oil Company |
| 207. | NE¼ of Sec. 250, Blk. 97, H&TC RR. Co. Survey. | Magnolia Petroleum Company |
| 208. | E 120 acres of SE¼ of Sec. 250, Blk. 97, H&TC RR. Co. Survey. | Slick-Moorman Oil Company |
| 209. | W 39.10 acres of SE¼ of Sec. 250, Blk. 97, H&TC RR. Co. Survey. | Skelly Oil Company |
| 210. | NW¼ of Sec. 250, Blk. 97, H&TC RR. Co. Survey. | Tide Water Associated Oil Co. |
| 211. | NE¼ of SW¼ of Sec. 250, Blk. 97, H&TC RR. Co. Survey. | Star Oil Company |
| 212. | S½ of SW¼ and NW¼ of SW¼ of Sec. 250, Blk. 97, H&TC RR. Co. Survey. | Skelly Oil Company |
| 213. | 80.702 acres being the E part of NE¼ of Sec. 249, Blk. 97, H&TC RR. Co. Survey. | Pan American Production Co. |
| 214. | 80.647 acres being the W part of NE¼ of Sec. 249, Blk. 97, H&TC RR. Co. Survey. | Pan American Production Co. |
| 215. | SE¼ of Sec. 249, Blk. 97, H&TC RR. Co. Survey. | Wheelock, et al. |
| 216. | NW¼ of Sec. 249, Blk. 97, H&TC RR. Co. Survey. | Ohio Oil Company |
| 217. | E 120 acres of SW¼ of Sec. 249, Blk. 97, H&TC RR. Co. Survey. | Moncrief, Hope, Crosby and Teas |
| 218. | W part of SW¼ of Survey 249, Cert. No. 43/5627, Blk. 97, H&TC RR. Co. about 4 miles S 75 deg. W from Snyder, described by metes and bounds as follows: Beginning at a stake in the S Boundary Line said Sec. 249 the SW Cor. of 120 A tract of land (Patented); Thence W 244.1 vrs. to a stone the SW Cor. said Sec. 249 and the NE Cor. Sec. 210 same Blk. and grantee; Thence N 953 vrs. to stake in W boundary line said Sec. 249 for the SW Cor. of the NW¼ thereof (Patented); Thence E 244.1 vrs. to | Joseph I. O'Neill, Jr. |

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Tract

DESCRIPTION

OPERATOR

- stake in the S boundary line said NW $\frac{1}{4}$ Sec. and the NW Cor. of said 120 acre patented tract; Thence S 953 vrs. to the place of beginning, except one acre in the SW Corner.
219. 1 acre out of SW corner of SW $\frac{1}{4}$ of Sec. 249, Blk. 97, H&TC RR. Co. Survey. J. A. Humphrey
 220. NE $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey. Phillips Petroleum Company
 221. SE $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey, except 2 acres in SE corner thereof. Hunt Oil Company
 222. 2 acres in SE corner of SE $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey. Headwaters Oil Company
 223. E $\frac{1}{2}$ of N $\frac{3}{4}$ of NW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey. Reagan J. Caraway
 224. W $\frac{1}{2}$ of N $\frac{3}{4}$ of NW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey. George & Guerin
 225. 200.86 acres being S 40 acres of NW $\frac{1}{4}$ and all of SW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey, except 2 acres in SE corner of SW $\frac{1}{4}$ thereof. Pan American Production
 226. 2.00 acres in S part of SW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey and described as follows: BEGINNING at a point 60 ft N and 1239.4 ft W of SE corner of SW $\frac{1}{4}$ of Sec. 248; Thence N 296.4 ft; Thence W 293.9 ft; Thence S 296.4 ft; Thence E 293.9 ft to place of beginning. Pan American Production
 227. NE $\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey. Newman Brothers Drilling
 228. SE $\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey. General Crude Oil Comp
 229. NW $\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey. Pan American Production
 230. N $\frac{1}{2}$ of SW $\frac{1}{4}$ and SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey. Pan American Production
 231. SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey. Pan American Production
 232. NE $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. Pan American Production
 233. N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. Pan American Production
 234. 40 acres out of SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. S. B. Roberts, et al.
 235. NW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey, except 4 acres out of NW corner thereof. Sun Oil Company
 - 235-A 4 acres in NW cor. of NW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. J. Lawson Goggans, Jr.
 236. E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. Sunray Oil Corporation
 237. W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. Sunray Oil Corporation
 238. NE $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey. The Pure Oil Company
 239. SE $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey. Sun Oil Company

Num- bered Tract	DESCRIPTION	OPERATOR
240.	NW $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey, except 5 acres out of NE corner thereof.	The Texas Company
241.	SW $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey.	The Texas Company
242.	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 244, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
243.	SE $\frac{1}{4}$ of Sec. 244, Blk. 97, H&TC RR. Co. Survey.	The Texas Company
244.	E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 244, Blk. 97, H&TC RR. Co. Survey.	Greenbrier Oil Company
245.	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ and S $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 215, Blk. 97, H&TC RR. Co. Survey.	Cities Service Oil Co.
246.	NW $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	Tide Water Associated Oil Co.
247.	SW $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	The Pure Oil Company
248.	NE $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	The Pure Oil Company
249.	W 80.97 acres of SE $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	The Pure Oil Company
250.	E 80.97 acres of SE $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	The Pure Oil Company
251.	N $\frac{1}{2}$ of Sec. 213, Blk. 97, H&TC RR. Co. Survey.	The Texas Company
252.	N $\frac{1}{2}$ of S $\frac{1}{2}$ of Sec. 213, Blk. 97, H&TC RR. Co. Survey.	The Texas Company
253.	S $\frac{1}{2}$ of S $\frac{1}{2}$ of Sec. 213, Blk. 97, H&TC RR. Co. Survey.	American Republics Corp.
254.	N 161.20 acres of W 321.233 acres of Sec. 212, Blk. 97, H&TC RR. Co. Survey.	General Crude Oil Company
255.	S 160.033 acres of W 321.233 acres of Sec. 212, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
256.	N 161.80 acres of E 323.60 acres of Sec. 212, Blk. 97, H&TC RR. Co. Survey.	Phillips Petroleum Company
257.	S 161.80 acres of E 323.60 acres of Sec. 212, Blk. 97, H&TC RR. Co. Survey.	Phillips Petroleum Company
258.	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 211, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
259.	S $\frac{1}{2}$ of NW $\frac{1}{4}$ and NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 211, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
260.	NE $\frac{1}{4}$ of Sec. 211, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
261.	S $\frac{1}{2}$ of Sec. 211, Blk. 97, H&TC RR. Co. Survey.	General Crude Oil Company
262.	N $\frac{3}{4}$ of SW $\frac{1}{4}$ and W 131.80 acres of NW $\frac{1}{4}$ of Sec. 210, Blk. 97, H&TC RR. Co. Survey.	Phillips Petroleum Company
263.	All of the E 198 acres of the N $\frac{1}{2}$ of Sec. 210, Blk. 97, H&TC RR. Co., not including, however, a certain 1 acre tract and a certain $\frac{1}{4}$ acre tract, described in an oil and gas lease from A. A. Brock, et al, to Dalport Oil Co., of date May 24, 1949 and recorded in Vol. 56, page 361 of the Oil and Gas Lease Records of Scurry County, Texas.	J. A. Humphrey

Num- bered Tract	DESCRIPTION	OPERATOR
264.	1.25 acres out of NE corner of NE $\frac{1}{4}$ of Sec. 210, Blk. 97, H&TC RR. Co. Survey.	J. A. Humphrey
265.	N $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 210, Blk. 97, H&TC RR. Co. Survey.	King, Warren and Dye
266.	S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 210, Blk. 97, H&TC RR. Co. Survey.	J. A. Humphrey
267.	N 158.01 acres out of W 320.93 acres of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
268.	S 162.92 acres of W 320.93 acres of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
269.	N 160 acres out of E 326.11 acres of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	George P. Livermore, Inc.
270.	S 166.11 acres out of E 326.11 acres of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	Lone Star Producing Co.
271.	N 160.00 acres out of W 322.47 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	Moncrief, Hope, Crosby & Teas
272.	S 162.47 acres out of W. 322.47 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
273.	N 160.00 acres out of E 323.09 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	R. H. Venable
274.	S. 163.09 acres of E. 323.09 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
275.	Tract 50 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	Gene Goff
276.	(Outside of original outer limits for Unit Area).	
277.	N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	Gene Goff
278.	SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
279.	NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	Cities Service Oil Company
280.	NW $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	Headwaters Oil Company
281.	W $\frac{1}{2}$ of SW $\frac{1}{4}$ and NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
282.	E 30 acres of NE $\frac{1}{4}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
283.	W 132.5 acres of NE $\frac{1}{4}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
284.	NW $\frac{1}{4}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
285.	S $\frac{1}{2}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey, and W 120 acres of N $\frac{1}{2}$ of N $\frac{1}{2}$ of Section 191, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company
286.	NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 191, Blk. 97, H&TC RR. Co. Survey.	H. J. Shipley
287.	W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 190, Blk. 97, H&TC RR. Co. Survey.	Magnolia Petroleum Company

Num- bered Tract	DESCRIPTION	OPERATOR
288.	S $\frac{1}{2}$ of E $\frac{3}{4}$ of NE $\frac{1}{4}$ and E $\frac{1}{2}$ of NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	J. A. Humphrey
289.	40 acres in the form of a square in NW corner of E $\frac{3}{4}$ of NE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	J. A. Humphrey
290.	S 40 acres of SW $\frac{1}{4}$ of Sec. 210, Blk. 97, H&TC RR. Co. Survey, and W 40 acres of NE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
291.	SE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey, except 2 acres in SE corner thereof.	Pan American Production Co.
292.	2 acres in SE corner of SE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	Headwaters Oil Company
293.	N 120.466 acres in NW $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	Pan American Production Co.
294.	S 40 acres out of NW $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
295.	SW $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
296.	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 192, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
297.	NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 192, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
298.	N $\frac{1}{2}$ of NW $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 192, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
299.	N $\frac{1}{2}$ of Sec. 204, Blk. 97, H&TC RR. Co. Survey.	The Texas Company
300.	N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 204, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
301.	N $\frac{1}{2}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 204, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
302.	W 80 acres of E 217.28 acres of N 433.86 acres, and N 40 acres out of E 137.28 acres of N 433.86 acres of Sec. 193, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
303.	All of Sec. 203, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
304.	N $\frac{1}{2}$ of Sec. 202, Blk. 97, H&TC RR. Co. Survey.	Newman Brothers Drilling Co.
305.	S $\frac{1}{2}$ of Sec. 202, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
306.	NE $\frac{1}{4}$ of Sec. 201, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
307.	NW $\frac{1}{4}$ of Sec. 201, Blk. 97, H&TC RR. Co. Survey.	Amerada Petroleum Co.
308.	(Outside of original outer limits for Unit Area).	
309.	N $\frac{1}{2}$ of Sec. 200, Blk. 97, H&TC RR. Co. Survey.	Cities Service Oil Co.
310.	(Outside of original outer limits for Unit Area).	
311.	(Outside of original outer limits for Unit Area).	
312.	(Outside of original outer limits for Unit Area).	
313.	(Outside of original outer limits for Unit Area).	
314.	(Outside of original outer limits for Unit Area).	
315.	(Outside of original outer limits for Unit Area).	
316.	(Outside of original outer limits for Unit Area).	
317.	(Outside of original outer limits for Unit Area).	
318.	(Outside of original outer limits for Unit Area).	

Num- bered Tract	DESCRIPTION	OPERATOR
319.	(Outside of original outer limits for Unit Area).	
320.	N $\frac{1}{2}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
321.	SW $\frac{1}{4}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.	Phillips Petroleum Company
322.	SE $\frac{1}{4}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
323.	NW $\frac{1}{4}$ and W $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 194, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
324.	E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 194, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
325.	All of S $\frac{1}{2}$ of Sec. 194, except 43.61 acres in SE corner thereof, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
326.	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 185, Blk. 97, H&TC RR. Co. Survey.	Sun Oil Company
327.	N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	Floyd C. Ramsey
328.	NW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	Cities Service Oil Co.
329.	W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	Lone Star Producing Co.
330.	(Outside of original outer limits for Unit Area).	
331.	(Outside of original outer limits for Unit Area).	
332.	(Outside of original outer limits for Unit Area).	
333.	(Outside of original outer limits for Unit Area).	
334.	(Outside of original outer limits for Unit Area).	
335.	(Outside of original outer limits for Unit Area).	
336.	(Outside of original outer limits for Unit Area).	
337.	(Outside of original outer limits for Unit Area).	
338.	(Outside of original outer limits for Unit Area).	
339.	(Outside of original outer limits for Unit Area).	
340.	(Outside of original outer limits for Unit Area).	
341.	(Outside of original outer limits for Unit Area).	
342.	(Outside of original outer limits for Unit Area).	
343.	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 177, Blk. 97, H&TC RR. Co. Survey.	Skelly Oil Company

EXHIBIT "D"

PARTICIPATION PERCENTAGE OF ALL NUMBERED TRACTS SITUATED WITHIN ORIGINAL OUTER LIMITS FOR UNIT AREA

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
1	28,179.27	11.000	00.42100828
2	8,766.24	4.000	00.14319090
3	52,363.02	8.000	00.51932014
4	13,439.53	2.000	00.13216256
5	2,233.18	1.000	00.03607607
6	1,936.19	1.000	00.03408987
7	2,752.16	1.000	00.03954688
8	62,122.91	8.000	00.58459196
9	98,145.69	8.000	00.82550372
10	111,334.25	8.000	00.91370566
11	182,015.02	8.000	01.38640179
12	124,837.04	16.000	01.17313786
13	7,132.31	2.000	00.08998138
14	5,458.21	2.000	00.07878540
15	60,418.14	7.000	00.55204977
16	66,633.59	8.000	00.61475831
17	186,206.77	8.000	01.41443521
18	159,978.62	8.000	01.23902761
19	112,351.91	8.000	00.92051153
20	118,737.60	8.000	00.96321750
21	22,315.85	4.460	00.24353237
22	9,714.60	2.000	00.10725112
23	8,848.27	2.000	00.10145731
24	36,290.52	4.000	00.32726672
25	30,359.57	4.000	00.28760194
26	145,806.33	8.000	01.14424671
27	175,438.01	8.000	01.34241632
28	196,097.19	8.000	01.48057999
29	68,609.06	8.000	00.62796979
30	94,277.40	8.000	00.79963352
31	1,555.32	1.000	00.03154270
32	121,261.87	8.000	00.98009922
33	122,724.47	7.000	00.96873964
34	105,979.36	4.000	00.79332906
35	103,505.55	4.000	00.77678481

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
			00.78330297
36	104,480.19	4.000	00.77545636
37	103,306.91	4.000	00.52318115
38	65,584.99	4.000	00.54856482
39	69,380.53	4.000	00.71062503
40	80,968.24	8.000	00.16498690
41	15,186.49	3.000	00.10663748
42	9,717.68	1.970	00.06299632
43	6,258.48	1.000	
44	(Outside of original outer limits for Unit Area)		00.16026562
45	14,480.53	3.000	00.86432959
46	98,672.06	9.670	00.03147662
47	4,706.60	0.000	00.30813129
48	33,429.26	4.000	00.86312231
49	103,770.68	8.000	00.43733584
50	52,748.81	4.000	00.47175921
51	57,896.03	4.000	00.27247628
52	34,420.20	2.000	00.25044759
53	31,126.32	2.000	00.49039855
54	60,683.11	4.000	00.54756399
55	69,230.88	4.000	01.37371454
56	170,634.45	11.000	00.40936234
57	48,566.02	4.000	00.37436921
58	49,655.93	2.000	00.45087707
59	57,934.75	3.000	00.43658548
60	52,636.61	4.000	00.47731869
61	58,727.32	4.000	00.73823364
62	88,257.63	7.000	00.31078066
63	33,825.41	4.000	00.17505178
64	16,691.46	3.000	00.71536312
65	78,515.55	9.000	00.13155452
66	10,187.45	3.000	00.66503463
67	74,151.25	8.000	00.56571669
68	59,300.55	8.000	00.48386654
69	59,706.40	4.000	00.33424252
70	37,333.59	4.000	00.39715135
71	46,740.15	4.000	00.51075524
72	57,404.66	6.000	00.48185146
73	59,405.09	4.000	00.66913639
74	87,409.22	4.000	00.85811806
75	103,022.41	8.000	00.19654833
76	19,905.77	3.000	00.51581866
77	64,484.10	4.000	00.04910958
78	4,182.04	1.000	00.38872103
79	45,479.59	4.000	00.02515589
80	600.32	1.000	00.31454183
81	40,710.13	2.000	

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
82	14,099.48	1.000	00.11543506
83	1,752.32	1.000	00.03286019
84	17,270.80	1.000	00.13664409
85	70,175.18	7.000	00.61730252
86	107,616.90	8.000	00.88884491
86-A	3,213.64	0.000	00.02149206
87	21,372.88	2.000	00.18521892
88	20,839.91	1.715	00.17562933
89	19,003.51	2.000	00.16937313
90	25,743.85	2.000	00.21445092
91	97,276.57	8.000	00.81969125
92	87,689.37	8.000	00.75557434
93	44,065.72	4.000	00.37926540
94	43,372.01	4.000	00.37462604
95	9,365.32	0.225	00.06738977
96	9,970.56	0.355	00.07418582
97	9,970.96	1.000	00.08782450
98	11,074.97	1.000	00.09520786
99	36,397.40	4.000	00.32798151
100	(Outside of original outer limits for Unit Area)		
101	16,482.51	2.000	00.15251328
102	15,382.83	2.000	00.14515889
103	3,836.64	1.000	00.04679963
104	24,945.90	3.825	00.24769691
105	5,323.12	0.980	00.05631803
106	27,257.00	4.000	00.26685270
107	10,261.02	2.000	00.11090544
107-A	6,766.11	1.000	00.06639123
108	8,645.99	1.000	00.07896342
109	53,325.95	6.000	00.48347780
110	44,789.64	4.000	00.38410680
111	39,184.30	4.000	00.34661963
112	43,934.03	4.000	00.37838470
113	32,352.42	3.000	00.27978855
114	10,464.56	1.000	00.09112557
115	40,090.33	4.000	00.35267895
116	40,153.81	4.000	00.35310348
117	52,566.64	4.000	00.43611753
118	138,879.19	12.000	01.18248403
119	23,665.50	2.000	00.20055140
120	18,529.78	2.000	00.16620494
121	60,440.71	5.000	00.50991853
122	31,414.49	3.000	00.27351590
123	35,443.97	4.000	00.32160520
124	61,107.55	6.000	00.53551929
125	23,641.59	2.000	00.20039150

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
126	4,966.76	2.000	00.07549870
127	23,158.53	3.000	00.21830201
128	16,470.44	2.000	00.15243256
129	25,801.81	4.000	00.25712073
130	5,094.10	2.000	00.07635032
131	4,866.79	2.000	00.07483012
132	12,933.28	3.000	00.14991798
133	9,374.94	3.000	00.12612064
134	4,477.21	2.000	00.07222470
135	200.65	1.000	00.02248300
136	26,065.46	7.000	00.32230724
137	13,168.27	3.000	00.15148953
138	64,373.49	8.000	00.59964330
139	20,559.29	2.000	00.17977782
140	20,844.68	2.000	00.18168644
141	35,796.64	4.000	00.32396377
142	35,955.36	4.000	00.32502525
143	34,012.51	4.000	00.31203193
144	20,795.99	2.000	00.18136081
145	22,523.46	2.000	00.19291372
146	40,785.18	4.000	00.35732593
147	85,038.32	8.000	00.73784476
148	42,829.83	4.000	00.37100007
149	11,494.43	1.000	00.09801310
150	24,280.42	2.000	00.20466385
151	23,137.64	2.000	00.19702121
152	33,256.98	3.000	00.28583803
153	63,156.22	6.000	00.54922030
154	21,435.85	2.000	00.18564004
155	75,952.95	8.000	00.67708397
156	34,151.55	4.000	00.31296180
157	36,824.17	4.000	00.33083565
158	28,234.91	4.000	00.27339272
159	33,321.01	4.000	00.30740735
160	36,371.37	6.000	00.37008962
161	4,947.15	0.720	00.04830694
162	14,642.59	2.935	00.15997526
163	21,303.05	3.000	00.20589300
164	19,292.18	3.000	00.19244478
165	17,698.07	3.000	00.18178375
166	111,741.22	14.000	01.04327396
167	46,700.39	5.000	00.41802654
168	29,196.88	3.000	00.25868505
169	43,005.10	4.000	00.37217223
170	29,215.29	3.000	00.25880818
171	40,733.08	4.000	00.35697750

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
172	47,152.52	4.000	00.39990918
173	101,299.03	7.000	00.82545141
174	48,859.86	4.000	00.41132747
175	32,175.82	2.000	00.25746640
176	47,867.32	4.000	00.40468960
177	59,511.05	5.000	00.50370118
178	36,592.90	4.000	00.32928897
179	29,495.51	4.000	00.28182331
180	21,425.97	4.000	00.22785615
181	10,282.75	3.000	00.13219186
182	2,706.10	2.000	00.06037994
183	4,670.49	2.000	00.07351731
184	2,666.26	1.000	00.03897240
185	3,224.39	0.805	00.03858254
186	2,588.19	0.535	00.02861968
187	3,243.93	0.530	00.03289941
188	25,885.06	6.000	00.29995968
189	9,120.86	2.000	00.10328033
190	10,941.87	3.000	00.13659990
191	2,226.46	0.485	00.02514346
192	2,007.02	1.000	00.03456357
193	1,145.04	1.000	00.02879885
194	810.82	1.000	00.02656366
195	378.16	0.205	00.00686297
196	166.00	1.000	00.02225126
197	333.27	0.355	00.00973392
198	7,477.35	3.000	00.11343001
199	25,509.01	4.000	00.25516255
200	22,991.92	4.000	00.23832886
201	7,653.92	2.000	00.09346978
202	6,641.41	1.000	00.06555726
203	31,707.52	4.000	00.29661671
204	33,207.45	4.000	00.30664788
205	11,040.14	2.000	00.11611602
206	30,768.63	6.000	00.33261982
207	43,182.98	4.000	00.37336185
208	26,608.04	3.000	00.24137151
209	9,476.32	1.000	00.08451646
210	65,614.27	4.000	00.52337697
211	11,142.43	1.000	00.09565901
212	32,550.83	3.000	00.28111547
213	35,899.00	2.000	00.28236614
214	25,463.30	2.000	00.21257467
215	42,214.00	4.000	00.36688154
216	48,921.64	4.000	00.41174064
217	29,451.39	4.000	00.28152826

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
218	12,128.62	1.000	00.10225441
219	172.00	1.000	00.02229139
220	49,062.13	4.000	00.41268020
221	40,930.80	4.000	00.35829981
222	360.89	1.000	00.02355464
223	16,551.94	2.000	00.15297762
224	16,638.83	2.000	00.15355872
225	51,372.95	5.000	00.44927551
226	473.42	0.000	00.00316612
227	33,793.91	4.000	00.31056999
228	32,104.33	4.000	00.29927048
229	25,627.31	4.000	00.25595372
230	15,494.12	3.000	00.16704426
231	4,754.44	1.000	00.05293765
232	22,198.85	4.000	00.23302499
233	14,100.31	3.000	00.15772279
234	3,949.58	0.840	00.04417236
235	24,313.91	3.515	00.23691658
235-A	443.45	0.000	00.00296569
236	10,531.92	2.000	00.11271716
237	14,803.88	2.000	00.14128700
238	28,009.19	4.000	00.27188316
239	34,694.00	3.945	00.31542682
240	23,860.32	2.070	00.20333420
241	32,094.46	4.000	00.29920447
242	6,887.32	1.000	00.06720185
243	25,339.42	3.360	00.24049808
244	7,289.90	1.045	00.07084556
245	14,339.78	5.000	00.20160650
246	18,228.74	3.285	00.19135796
247	21,724.03	3.135	00.21156246
248	30,247.75	4.000	00.28685412
249	16,151.94	2.000	00.15030252
250	18,221.00	2.000	00.16413990
251	81,333.54	8.000	00.71306807
252	40,910.67	4.000	00.35816518
253	32,544.50	4.000	00.30221423
254	31,115.20	4.000	00.29265541
255	26,286.85	4.000	00.26036456
256	17,736.52	4.000	00.20318200
257	22,557.65	4.000	00.23542456
258	4,465.83	1.000	00.05100750
259	14,782.83	3.000	00.16228732
260	30,438.04	4.000	00.28812673
261	44,880.13	8.000	00.46927636
262	55,693.01	7.000	00.52044923

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
263	40,767.47	5.000	00.37834859
264	221.68	1.000	00.02262364
265	13,409.14	2.000	00.13195932
266	13,835.45	2.000	00.13481038
267	30,652.12	4.000	00.28955844
268	26,368.86	4.000	00.26091303
269	31,590.94	4.000	00.29583706
270	25,265.05	4.000	00.25353101
271	28,255.20	4.000	00.27352842
272	23,809.74	4.000	00.24379824
273	27,134.01	4.000	00.26603016
274	18,671.93	4.000	00.20943779
275	2,773.30	0.445	00.02795496
276	(Outside of original outer limits for Unit Area)		
277	7,265.63	2.000	00.09087299
278	3,187.58	1.000	00.04245887
279	2,262.70	0.780	00.03162245
280	16,699.96	4.000	00.19624973
281	8,260.78	2.175	00.10122800
282	3,313.00	1.000	00.04329765
283	16,861.30	3.000	00.17618764
284	21,324.94	3.880	00.22464356
285	27,541.81	9.760	00.39053014
286	2,349.90	0.190	00.01973238
287	3,505.71	0.635	00.03686995
288	10,765.84	2.000	00.11428156
289	5,360.30	1.000	00.05698950
290	14,518.17	2.000	00.13937624
291	20,306.23	4.000	00.22036760
292	88.00	1.000	00.02172962
293	18,793.02	3.000	00.18910652
294	5,394.37	1.000	00.05721736
295	18,137.28	3.000	00.18472108
296	8,091.79	3.000	00.11753925
297	448.55	0.640	00.01653010
298	8,845.31	2.760	00.11750474
299	35,592.15	8.000	00.40716056
300	7,457.34	2.405	00.10071725
301	9,366.09	3.000	00.12606146
302	5,954.15	1.485	00.07121446
303	109,830.30	16.000	01.07277636
304	54,435.26	8.000	00.53317879
305	54,480.67	8.000	00.53348248
306	36,282.53	4.000	00.32721328
307	28,247.12	4.000	00.27347438
308	(Outside of original outer limits for Unit Area)		

Numbered Tract	Gross Acre - Feet of Canyon Reef Above Water Table	Number of Producing Wells	Percentage of Participation of Tracts Within Original Outer Limits for Unit Area
309	39,377.62	7.000	00.41133579
310 to 319 incl.	(Outside of original outer limits for Unit Area)		
320	51,905.20	8.000	00.51625835
321	19,660.04	4.000	00.21604604
322	24,360.65	4.000	00.24748260
323	45,803.60	6.000	00.43317012
324	6,689.01	2.000	00.08701669
325	41,378.57	6.580	00.41583841
326	2,494.88	1.000	00.03782626
327	8,301.74	2.000	00.09780224
328	16,154.97	4.000	00.19260496
329	5,324.18	1.835	00.07440075
330 to 342 incl.	(Outside of original outer limits for Unit Area)		
343	2,720.00	0.996	00.03924724
GRAND TOTAL	11,214,514.82	1,182.531	100.00000000

EXHIBIT "E"

OWNERSHIP OF WORKING INTERESTS

It is the intention that a description of all oil and gas leases and all unleased mineral interests situated within the original outer limits for the Unit Area and a statement of the ownership of the working interest thereof shall be included in this exhibit. The information from which this exhibit was prepared has been supplied by lessees owning oil and gas leases within the original outer limits for the Unit Area and by companies purchasing oil from leases within the original outer limits for the Unit Area, and in some instances the information was taken from the public records of Scurry County, Texas. In the event a mistake has been made as to the description of the lease or leases or unleased mineral interest of any party hereto or as to the division of the working interest ownership under the lease or leases or unleased mineral interest of any party hereto, or in the event a transfer of the ownership of the working interest in any lease or leases or of an unleased mineral interest described herein has been made since the information hereon was compiled, then the party or parties concerned, before executing the counterpart or ratification of this instrument, are authorized to change or correct the statement as to the description and as to their ownership hereinafter by interlineation, which change shall be initialed by them. In the event the parties hereto have failed to include in this exhibit a description of any oil and gas lease or leases or of any unleased mineral interest or interests within the original outer limits for the Unit Area, then the party or parties owning the working interest in said lease or leases or unleased mineral interest are authorized to add the description thereof and statement of ownership of working interest thereof to this agreement (such added description and statement to be initialed by them) before executing the counterpart or ratification of the agreement tendered to them for execution.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT
J. S. ABERCROMBIE <i>Lease Operator</i>						
W. J. Coonrod, et ux	Lake Fowler	1-29-49	47 437	J. S. Abercrombie All $\frac{7}{8}$ WI	N. 155 acres more or less of Sec. 39, Kirkland and Fields Survey	178
Guy Stoker, et ux	Lake Fowler	1-27-49	50 61	J. S. Abercrombie All $\frac{7}{8}$ WI	Tracts 21 and 22 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands	85
O. B. Brice, et ux	Lake Fowler	1-27-49	50 79	J. S. Abercrombie All $\frac{7}{8}$ WI		
H. J. Brice, et ux	Lake Fowler	1-27-49	50 125	J. S. Abercrombie All $\frac{7}{8}$ WI		
AMERADA PETROLEUM CORPORATION <i>Lease Operator</i>						
J. T. Anderson, et ux	P. W. Anderson	3-1-45	26 485	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 201, Blk. 97, H&TC RR. Co. Survey	307
AMERICAN REPUBLICS CORPORATION <i>Lease Operator</i>						
F. C. Boyd, et ux	American Republics Corporation	3-20-45	27 344	All $\frac{7}{8}$ WI	S $\frac{1}{2}$ of S $\frac{1}{2}$ of Sec. 213, Blk. 97, H&TC RR. Co. Survey	253
BLANCO OIL CORPORATION <i>Lease Operator</i>						
Snyder Country Club, et al H. E. Rosser	W. D. Kennedy	10-18-49	84 193	Blanco Oil Corp.— $\frac{3}{4}$ of $\frac{7}{8}$ WI A. A. Buchanan— $\frac{1}{4}$ of $\frac{7}{8}$ WI	1.263 acres, more or less, in Sec. 178, Blk. 3, H&GN RR. Co. Survey, described as follows: BEGINNING at a stake set in E line of County Highway which stake is 60' NE of a point in EBL of P&NT RR. Co. right of way and from a point in the N end of a concrete bridge, from said in line with the N end of a square oak post set in W line point, being 883' SE of a square oak post set in W line of Sec. 178, Blk. 3, H&GN RR. Co. Survey, said post being 835 $\frac{1}{2}$ ' S of NW corner of said Sec. 178; Thence in a southeasterly direction along said E line of said highway, a distance of 430' to a large mesquite post in the fence for corner of this tract; Thence N 40 deg. E, a distance of 68' to stake for corner; Thence in a Northwesterly direction and parallel with said Highway 430' to a large cedar post in fence on N side of draw; Thence in a southwesterly direction a distance of 68' to place of beginning; together with the area in County Road #7 contiguous to this tract.	13
		W. D. Kennedy	10-18-49			
Joe Evans, et ux	W. D. Kennedy	9-1-49	63 190	Blanco Oil Corp.— $\frac{3}{4}$ of $\frac{7}{8}$ WI A. A. Buchanan— $\frac{1}{4}$ of $\frac{7}{8}$ WI	5.12 acres, more or less, being a part of Sec. 14, J. P. Smith Survey, and being out of a certain 37.8 acre tract of land and the tract of land herein described contains 5.12 acres of land, more or less, out of the SW corner, described as follows: BEGINNING at the SW corner of said 37.8 acre tract; Thence S 70 $\frac{1}{2}$ deg. E along N line of Snyder Gail Public Road and also along the SBL of said 37.8 acre tract, a distance of 148 yards for SE corner of this tract; Thence N parallel with WBL of said 37.8 acre tract a distance of 202 yards for NE corner of this tract; Thence W parallel with the NBL of said 37.8 acre tract; a distance of 140 yds. to a point in WBL of said tract for the NW corner of tract; Thence S along WBL of said 37.8 acre tract a distance of 154 yds. to place of beginning.	1
BYRD-FROST, INC. <i>Lease Operator</i>						
Sarah F. Arnett, et al	I. V. Ainsworth	6-25-45	27 560	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 291, Bl. 97, H&TC RR. Co. Survey.	
REAGAN J. CARAWAY <i>Lease Operator</i>						
Cad T. Wilkerson, et al	W. F. Bridewell, Trustee; D. W. George, and S. V. Guerin	3-7-49	59 239	Reagan J. Caraway— 80% of $\frac{7}{8}$ WI Homer D. Key— 20% of $\frac{7}{8}$ WI	E $\frac{1}{2}$ of North $\frac{3}{4}$ of NW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey.	
CARTER AND MANDEL COMPANY <i>Lease Operator</i>						
C. E. Ferguson, et ux	A. W. Simpson	8-10-48	40 477	Carter and Mandel Company— 8/12 of $\frac{7}{8}$ WI Howard J. Shipley— 3/12 of $\frac{7}{8}$ WI J. D. Leftwich 1/12 of $\frac{7}{8}$ WI	W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.	

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	T
CITIES PRODUCTION CORPORATION						
<i>Lease Operator</i>						
Ida Wasson, a widow	A. L. Henderson	5-5-41	23 19	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of Sec. 393, Blk. 97, H&TC RR. Co. Survey	
CITIES SERVICE OIL COMPANY						
<i>Lease Operator</i>						
J. G. Patterson, et ux	C. T. McLaughlin	1-6-45	26 549	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ and S $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 215, Blk. 97, H&TC RR. Co. Survey.	
C. T. McLaughlin, et ux	Ben Harwit	3-12-48	32 359	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in NW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	
W. S. Guthrie	Ben Harwit	4-26-48	38 318	All $\frac{7}{8}$ WI	$\frac{1}{4}$ Mineral Interest in NW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	
Cleatus E. Loveless, et ux	Ben Harwit	6-14-48	40 3	All $\frac{7}{8}$ WI	$\frac{1}{4}$ Mineral Interest in NW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	
J. B. Johnson, et al	C. T. McLaughlin	4-11-47	33 245	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of Sec. 200, Blk. 97, H&TC RR. Co. Survey.	
R. C. Popnoe, et ux	A. L. Henderson	4-15-41	22 514	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 158, Blk. 3, H&GN RR. Co. Survey.	
C. W. Popnoe, et ux	A. L. Henderson	4-15-41	22 582	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of NW $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 158, Blk. 3, H&GN RR. Co. Survey.	
Nolan von Roeder, et ux	Cities Service Oil Company	4-12-46	28 573	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 16, Blk. 1, J. P. Smith Survey.	
S. S. Austin, et ux	A. R. Wood	7-3-41	23 77	All $\frac{7}{8}$ WI	Tract 31 of Sec. 39, Kirkland & Fields Survey.	
W. L. Etheredge, et ux	Cities Service Oil Company	4-10-46	30 195	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	
Leon Andress, et ux	Cities Service Oil Company	4-10-46	29 582	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 251, Blk. 97, H&TC RR. Co. Survey.	
J. L. COLLINS & CO.						
<i>Lease Operator</i>						
George E. Parks	I. V. Ainsworth	4-21-39	21 167	J. L. Collins— 4/12 of $\frac{7}{8}$ WI Betty W. Kenneough— 1/12 of $\frac{7}{8}$ WI J. N. Wheelock— 2/12 of $\frac{7}{8}$ WI J. N. Wheelock, Jr.— 2/12 of $\frac{7}{8}$ WI R. L. Wheelock— 2/12 of $\frac{7}{8}$ WI R. L. Wheelock, Jr.— 1/12 of $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 442, Blk. 97, H&TC RR. Co. Survey.	
CONOVER & FERGUSON						
<i>Lease Operator</i>						
Mrs. Ida Bynum Lewis, et vir	Lake Fowler	9-17-48	44 111	W. V. Conover— 7/16 of $\frac{7}{8}$ WI J. B. Ferguson, Jr.— 7/16 of $\frac{7}{8}$ WI Lake Fowler— $\frac{1}{8}$ of $\frac{7}{8}$ WI	E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 294, Blk. 97, H&TC RR. Co. Survey.	
ESPERADO MINING COMPANY						
<i>Lease Operator</i>						
T. J. McConnell, et al	Magnolia Petroleum Company	12-1-48	45 535	All $\frac{7}{8}$ WI	S $\frac{1}{4}$ of E $\frac{1}{2}$ of W $\frac{1}{2}$ of Sec. 336, Blk. 97, H&TC RR. Co. Survey.	
S. M. Dobson	Magnolia Petroleum Company	12-1-48	50 265			
L. B. Johnson, et vir	Magnolia Petroleum Company	12-1-48	45 538			
W. S. Guthrie	Magnolia Petroleum Company	12-1-48	45 543			
McAlester Fuel Co.	John Darden	5-11-50	90 157			
D. D. FELDMAN						
<i>Lease Operator</i>						
M. M. Maule, et al	E. P. Wingfield	8-2-50	99 67	D. D. Feldman— 1,690,500/1,932,000 of $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 451, Blk. 97, H&TC RR. Co. Survey.	

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

Exhibit "E" Page

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	N TR.
GENERAL CRUDE OIL COMPANY						
Lease Operator						
Minnie L. Stewart	Eugene N. Goodrich	3-26-47	32 187 & 188	All $\frac{7}{8}$ WI	$S\frac{1}{2}$ of Sec. 211, Blk. 97, H&TC RR. Co. Survey.	2
Mrs. Pearl J. Land, et al	Eugene N. Goodrich	6-9-47	33 469	All $\frac{7}{8}$ WI	$SE\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey.	2
Mrs. B. I. Shaw, et vir	Eugene N. Goodrich	6-6-47	33 465	All $\frac{7}{8}$ WI	The NW $\frac{1}{4}$ of Sec. 212, Blk. 97, H&TC RR. Co. Survey.	2
J. E. Shipp, et ux	Eugene N. Goodrich	6-7-47	33 467	All $\frac{7}{8}$ WI		
GEORGE & GUERIN						
Lease Operator						
P. A. Wilkison	D. W. George and S. V. Guerin	3-7-49	49 149	D. W. George— $\frac{1}{2}$ of $\frac{7}{8}$ WI S. V. Guerin— $\frac{1}{2}$ of $\frac{7}{8}$ WI	$W\frac{1}{2}$ of N $\frac{3}{4}$ of NW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey.	
GENE GOFF						
Lease Operator						
Stacia I. Crawford	Magnolia Petroleum Company	9-25-48	43 291	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	
Lida M. Hardy, et vir	Gene Goff	1-3-49	46 371	All $\frac{7}{8}$ WI	Tract 50 out of Survey 38, Kirkland & Fields Survey.	
Fred C. Ohlenbusch	Gene Goff	2-18-49	55 57	All $\frac{7}{8}$ WI		
J. LAWSON GOGGANS, JR.						
Trustee						
Lease Operator						
R. W. Boyd, et al	J. Lawson Goggans, Jr. Tr.	1-16-52	115 280	All $\frac{7}{8}$ WI	4 acres out of NW corner of NW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey. (Certificate 43/5625)	
GREENBRIER OIL COMPANY						
Lease Operator						
Wm. D. Loggie, Trustee	C. R. Craig	10-26-49	65 416	All $\frac{7}{8}$ WI	Being all of Tract 29 out of Sec. 16, J. P. Smith, Blk. 1, Survey, Grimes Ranch Lands Sub.	
Nolan von Roeder, et ux, and Dee Myers, et ux	A. J. Slagter, Jr.	5-22-47	42 311	James E. Kelley— 2.0% of $\frac{21}{64}$ of $\frac{8}{8}$ WI William H. Lang— 2.0% of $\frac{21}{64}$ of $\frac{8}{8}$ WI Joseph A. Maun— 0.5% of $\frac{21}{64}$ of $\frac{8}{8}$ WI Margaret H. Kelley— 17.9% of $\frac{21}{64}$ of $\frac{8}{8}$ WI DeWalt H. Ankeny— 2.0% of $\frac{21}{64}$ of $\frac{8}{8}$ WI Marie H. Ankeny— 17.9% of $\frac{21}{64}$ of $\frac{8}{8}$ WI Theodora Lang— 17.9% of $\frac{21}{64}$ of $\frac{8}{8}$ WI Herbert J. Schmitz— $\frac{7}{128}$ of $\frac{8}{8}$ WI Jones, McFarland & O'Connell— $\frac{7}{128}$ of $\frac{8}{8}$ WI Thomas M. Brickley— $\frac{5}{160}$ of $\frac{1}{8}$ of $\frac{8}{8}$ WI William Hamm, Jr.— 39.8% of $\frac{21}{64}$ of $\frac{8}{8}$ WI	$E\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 244, Blk. 97, H&TC RR. Co. Survey	
CLAUD B. HAMILL						
Lease Operator						
Lois Sears Sentell and John E. Sentell	Claud B. Hamill	4-10-46	29 89	All $\frac{7}{8}$ WI	FIRST TRACT: Being all of Tract #3, of the Grimes Ranch Lands, made for the Dallas Trust and Savings Bank, Dallas, Texas, out of the lands awarded to and patented to J. P. Smith, as shown by plat of record in Book 4, Page 20, of the Deed Records of Scurry County, Texas, being a part of Original Sur. 26 J. P. Smith Lands, described by metes and bounds as follows: BEGINNING the NW cor. of Sur. 2, 185 vrs. N 88 deg. 55 min. of the SE cor. of Sur. 385, Blk. 97, H&TC RR. Co. Survey. Thence N 88 deg. 55' W with the S line of said Sur. 385, Blk. 97, 1729 vrs. to a stake in the SW cor. of said S. 385 in the center of Clairmont Road; Thence S 16 deg. E 770 vrs. a stake in said road on the SW cor. of Sur. Thence E 1514 vrs. to a stake marked NE $\frac{1}{4}$ on the line of Sur. 2; Thence N 712 vrs. to the place of beginning and containing 208.2 acres of land.	

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	N TR/
					SECOND TRACT: Being the W 69.9 acres of Tract 4 of the Grimes Ranch Lands, made for the Dallas Trust and Savings Bank of Dallas, Texas, out of the lands awarded and patented to J. P. Smith, as shown by plat of record in Book 41, Page 20, of the Deed Records of Scurry County, Texas, the part of said Tract 4 here described being a part of Original Sur. 21, J. P. Smith Lands, described by metes and bounds as follows: BEGINNING at a stake in the center of Clairmont road, it being the SW cor. of Sur. or Tract 3; Thence S 16 deg. E 986 vrs. a stake, 40 ft. N 16 deg. W from the NW cor. of Sur. or Tract 5; Thence E 40 ft. N and parallel to the N line of Sur. or Tract 5, 330 vrs. to a point in the W line of the Original Sur. 22; Thence N with the W line of original Sur. 22 a distance of 935.6 vrs. to the NW cor. of original Sur. 22 and the NE cor. of original Sur. 21; Thence W 560 vrs. to the place of beginning, containing 69.9 acres, more or less. The above described tract being all of Sur. or Tract 4 of the Dallas Trust and Savings Bank Subdivision of the Grimes Ranch Lands, except the E 157.6 acres.	
GEORGE S. HAMMONDS Lease Operator						
M. M. Maule, et al R. F. Nicholson, et al	E. P. Wingfield E. P. Wingfield	11-30-49 12-1-49	74 75	135 343	All $\frac{7}{8}$ WI } All $\frac{7}{8}$ WI }	SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 451, Blk. 97, H&TC RR. Co. Survey.
JAKE L. HAMON Lease Operator						
J. M. Boothe, Sr., et ux	R. E. Massengill	5-4-49	54	447	Jake L. Hamon— $\frac{1}{2}$ of $\frac{7}{8}$ WI William P. Castleman— $\frac{1}{2}$ of $\frac{7}{8}$ WI	Being W 87.8 acres of the 127.8 acre tract out of NE part of Sec. 179, Blk. 3, H&GN RR. Co. Survey, situated in Scurry County, Texas, and more fully described as follows: BEGINNING at a stake in the center of Public Highway, the original NE corner of said Section; Thence W with the N line of said Sec. 1065 vrs. to an iron pipe driven in E boundary line of Highway No. 7, the NW corner of this tract; Thence S 20 deg. E along the E side of said Highway, a distance of 910 vrs. to an iron pipe for the SW corner of this tract; Thence E 695 vrs. to a point in the center of Highway No. 101; Thence N 832 vrs. with the E line of this Section to place of beginning.
HEADWATERS OIL COMPANY Lease Operator						
Union Baptist Church	R. W. Baxter	5-10-49	54	267	Arthur H. and Merced Samish— $\frac{1}{2}$ of $\frac{7}{8}$ WI Headwaters Oil Co. $\frac{1}{2}$ of $\frac{7}{8}$ WI	2 acres of land, more or less, in SE corner of Sec. 248, Blk. 97, H&TC RR. Co. Survey, described by metes and bounds as follows: Beginning at a stake set in the NW corner of Sec. 209, Blk. 97, H&TC RR. Co., where lanes cross fr wh a mes st brs NE $\frac{1}{2}$ E 60 $\frac{1}{2}$ vrs.; Thence N 108 vrs. to st set in WL of Sec. 249, Blk. 97, the NE corner; Thence W 107 vrs to st set in ground the NW corner; Thence S 108 vrs to st set in NL of Sec. 210, this blk the SW corner; Thence E 107 vrs to the place of beginning.
Lester O. Moore, et ux	Superior Oil Co.	11-12-48	45	459	Headwaters Oil Co. All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.
Boord of Trustees of Snyder Consolidated Independent School District	H. G. Schiff	7-11-49	62	133	Stuart Hunt— $\frac{1}{8}$ of $\frac{7}{8}$ WI Sherman Hunt— $\frac{1}{8}$ of $\frac{7}{8}$ WI J. N. Landrum— $\frac{3}{4}$ of $\frac{7}{8}$ WI	2 acres out of SE $\frac{1}{4}$ of Sec. 205, Blk. 97, as said Sec. 205 was surveyed by virtue of Cert. 43/5606 issued to H&TC RR. Co., described by metes and bounds as follows: Beginning at a stone set in center of earth mound and 4 pits the SE cor. of said Sec. 205, Thence N with W line of Sec. 206, 106 $\frac{1}{4}$ vrs to a stone set in the ground for NE cor. this tract; Thence W 106 $\frac{1}{4}$ vrs to a stone set in ground for NW cor. this tract; Thence S 106 $\frac{1}{4}$ vrs to a stone set in ground with N line of said Sec. 192, Thence 106 $\frac{1}{4}$ vrs E to place of beginning.
Edgar Taylor, County Judge acting for Scurry County	H. R. Bright	7-27-49	79	249	Mercantile Nat'l Bank of Dallas— Acct of Headwaters Oil Company— All $\frac{7}{8}$ WI	9.74 acres of Sec. 18, Blk. 1, J. P. Smith Survey, lying between Highway 84 and S Right of Way line of abandoned RS&P RR. Co. and described as: BEGINNING at a point the E right of way line of State Highway 7, and W right of way line of RS&P RR. Co. property, Blk. 1, J. P. Smith Survey, Sec. 18; Thence along a 2 deg. curve to left, whose central angle is 20 deg and 44 min. left, 1036.7 ft. to end of said curve; Thence N 62 deg. 28 min. W along E right of way line of St. Highway 7, 2401.6 ft., to a point; Thence N 11 deg. 23 min. W 336 ft. more or less, to a point in W right of way line of RS&P RR. Co.; Thence in a southerly direction along W right of way line of RS&P RR. Co. property to the point of beginning.

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

Exhibit "E" Pa

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION
HIAWATHA OIL & GAS COMPANY					
<i>Lease Operator</i>					
M. A. Carden	P. K. Mackey	3-2-46	28 233	Hiawatha 1/2 - 15/16 7/8 WI Benedum-Trees Oil Co. 1/4 - 15/16 - 7/8 WI Bentex Oil Corp.— 1/8 - 15/16 - 7/8 WI Penn-Ohio Gas Co. 1/8 - 15/16 - 7/8 WI	NE1/4 of SW1/4 and NW1/4 of SE1/4 of Sec. 293, Blk. 97, H&TC RR. Co. Survey.
Jas. A. Clark and Ida Mae Clark	Hiawatha Oil & Gas Company	9-15-49	64 93	Hiawatha Oil & Gas Co. 1/2 - 7/8 - 7/8 WI Bentex Oil Corp. 1/4 - 7/8 - 7/8 WI Penn-Ohio Gas Co. 1/4 - 7/8 - 7/8 WI	E 40 acres out of SW 80 acres of Sec. 179, Blk. 3, H&GN RR. Co. Survey.
Ida Bynum Lewis, et vir	Lake Fowler	9-17-48	44 111	Hiawatha Oil & Gas Co. 1/2 - 6/7 - 7/8 WI Penn-Ohio Gas Co. 1/8 - 6/7 - 7/8 WI Benedum-Trees Oil Co. 1/4 - 6/7 - 7/8 WI Bentex Oil Corp. 1/8 - 6/7 - 7/8 WI	W1/2 of NE1/4 of Sec. 294, Blk. 97, H&TC RR. Co. Survey.
J. B. York, et ux	Hiawatha Oil & Gas Company	9-15-49	64 96	Hiawatha Oil & Gas Co. 1/2 - 7/8 - 7/8 WI Penn-Ohio Gas Co. 1/4 - 7/8 - 7/8 WI Bentex Oil Corp. 1/4 - 7/8 - 7/8 WI	40 acres of land in the form of a square out of NE1/4 of NW1/4 of Sec. 180, Blk. 3, H&GN RR. Co. Survey.
A. J. Freytag, et ux	Hiawatha Oil & Gas Company	6-21-49	30 173	Hiawatha Oil & Gas Co. 1/4 of 15/16 of 7/8 WI Bentex Oil 1/4 of 15/16 of 7/8 WI Penn-Ohio 1/4 of 15/16 of 7/8 WI M. L. Benedum 1/4 of 15/16 of 7/8 WI	SE1/4 of Sec. 299, Blk. 97, H&TC RR. Co. Survey.
HUMBLE OIL & REFINING COMPANY					
<i>Lease Operator</i>					
L. N. Perlman, et ux	Humble Oil & Refining Company	12-14-38	19 525	All 7/8 WI	E1/2 of NE1/4 and E1/2 of SE1/4 and SW1/4 of SE1/4 of Sec. 438, Blk. 97, H&TC RR. Co. Survey.
J. A. HUMPHREY					
<i>Lease Operator</i>					
A. B. Eicke, et ux	Magnolia Petroleum Company	4-12-44	25 179	J. A. Humphrey— 3/4 of 3/4 of 7/8 WI Conan Cantwell— 1/32 of 3/4 of 7/8 WI Joe E. Estes— 1/32 of 3/4 of 7/8 WI Carey King— 3/32 of 3/4 of 7/8 WI W. H. Sanford— 3/32 of 3/4 of 7/8 WI	S1/2 of E3/4 of NE1/4 and E1/2 of NE1/4 of NE1/4 of Sec. 205, Blk. 97, H&TC RR. Co. Survey.
A. A. Brock, et al	Dalport Oil Corp.	5-24-49	56 361	7/8 of 7/8 WI	TRACT A: One acre in the form of a square out extreme NE corner of Sec. 210, Blk. 97, H&TC RR. Co. Survey. TRACT B: .25 acre of land out of NE1/4 of Sec. 210, Blk. 97, H&TC RR. Co. Survey, more particularly described metes and bounds as recorded in Vol. 89, Page 302.
Union Methodist Church	Bert Fields	8-29-49	74 423	J. A. Humphrey— 1/2 of 7/8 WI W. H. Sanford— 1/8 of 7/8 WI Joe E. Estes— 1/8 of 7/8 WI Conan Cantwell— 1/8 of 7/8 WI Carey G. King— 1/8 of 7/8 WI	1 acre out of SW corner of SW1/4 of Sec. 249, Blk. 97, H&TC RR. Co. Survey.
P. F. Harmon, et ux	R. H. Cantrill	2-9-44	24 616	All 7/8 WI	All of the E 198 acres of the N1/2 of Sec. 210, Blk. 97, H&TC RR. Co., not including, however, a certain 1 acre tract and a certain 1/4 acre tract, described in an oil and gas lease from A. A. Brock, et al to Dalport Oil Co., date May 24, 1949 and recorded in Vol. 56, page 361 of the Oil and Gas Lease Records of Scurry County, Texas.

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

Exhibit "E" Page 6

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NC TRAI
L. L. Lewis, et ux	R. H. Cantrill	2-9-44	24 629	J. A. Humphrey— 3/4 of 7/8 WI W. H. Sanford— 1/8 of 7/8 WI Carey G. King— 1/8 of 7/8 WI	S1/2 of SE1/4 of Sec. 210, Blk. 97, H&TC RR. Co. Survey.	266
W. S. Guthrie	Bert Fields (Mineral Deed— All Interest)	2-49	48 82	J. A. Humphrey— 1/2 of 7/8 WI Carey King— 7/40 of 7/8 WI W. H. Sanford— 7/40 of 7/8 WI Joe E. Estes— 3/40 of 7/8 WI Conan Cantwell— 3/40 of 7/8 WI	40 acres of land in the form of a square in NW corner of E3/4 of NE1/4 of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	289
HUNT OIL COMPANY <i>Lease Operator</i>						
James A. Clark, et ux	Hunt Oil Company	6-30-48	40 81	All 7/8 WI	SE1/4 of Sec. 248, Blk. 97, H&TC RR. Co. Survey, except 2 acres in SE corner thereof, and said 2 acres being 108 vrs N and S by 107 vrs E and W.	221
NELSON BUNKER HUNT <i>Lease Operator</i>						
W. J. Coonrod, et ux	J. W. Scott	1-7-46	28 183	Richard S. Brooks— .1733676% of 7/8 WI Irby L. Dyer— .1195599% of 7/8 WI Edward Everett, Jr.— .2152181% of 7/8 WI J. Norwell Harper .1195599% of 7/8 WI Nelson Bunker Hunt 90.4347691% of 7/8 WI Sam H. Jones— .4184788% of 7/8 WI Wm. E. Kerr— .3467480% of 7/8 WI G. Allen Kimball— .3228335% of 7/8 WI Sam Pallas— 7.1739140% of 7/8 WI James T. Smith— .1733676% of 7/8 WI William R. Tete— .1195599% of 7/8 WI Robert M. Turpin— .3467480% of 7/8 WI Ed M. Whitaker— .0358718% of 7/8 WI	83 acres out of SW part of Sec. 251, Blk. 97, H&TC RR. Co. Survey, and described as: BEGINNING at a set stn. for SW corner of Survey 251, Blk. 97, fr. wh. an iron pipe the SW corner of Sec. 250, same Blk. brs. S and the NW corner of said Sec. 251, brs. N 3 deg. E; Thence E 655 vrs to a place of iron set in ground; Thence N 3 deg. E 715 1/2 vrs to set stn for NE corner this tract; Thence W 655 vrs to iron pipe for NW corner this tract which is S 3 deg. W 942 1/2 vrs from set stn from wh mes brs S. 76 1/4 W 27 1/2 vrs. which stone is NW corner of said Sec. 251; Thence S 3 deg. W 715 1/2 vrs to place of beginning.	175
RALPH A. JOHNSTON and WM. G. JOHNSTON, Co-Owners <i>Lease Operator</i>						
Mrs. Una Hart Wade	J. B. Carter	5-11-46	28 519	Ralph A. Johnston— 1/2 of 7/8 WI Wm. G. Johnston— 1/2 of 7/8 WI	S1/2 of Sec. 159, Blk. 3, H&GN Ry. Co. Survey.	68
KING, WARREN AND DYE <i>Lease Operator</i>						
A. L. Wren and Effie Wren	Neal Musgrove and E. Baker	12-17-46	30 569	King, Warren & Dye— All 7/8 WI	E1/2 of Tract 12 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	53
L. L. Lewis and Allena Lewis	R. H. Cantrill	2-9-44	24 629	King, Warren & Dye— 1/8 of 7/8 WI E. E. Fogelson— 1/8 of 7/8 WI J. A. Humphrey— 1/4 of 7/8 WI M. C. Kramer— 1/2 of 7/8 WI	N1/2 of SE1/4 of Sec. 210, Blk. 97, H&TC RR. Co. Survey.	265
Leland Herod and Johnnie Lee Herod	Joseph I. O'Neill, Jr.	2-11-49	49 31	King, Warren & Dye 1/2 of 7/8 WI Wm. P. Castleman, Jr.— 1/8 of 7/8 WI Joseph I. O'Neill, Jr.— 1/8 of 7/8 WI Walter Duncan— 1/4 of 7/8 WI	100 acres of land in the middle part of E1/2 of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	130

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	N TR.	
LIPSCOMB AND DELANGE							
Lease Operator							
A. L. Wren, et ux	R. C. Lipscomb and 2-19-49	48,	225	R. C. Lipscomb— 7/16 of 11/16 WI	Tract 11 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.		
Great National Life Insurance Company	Rodney DeLange			Rodney DeLange— 7/16 of 11/16 WI			
	R. C. Lipscomb and 4-19-49	52	223	Al Ferrando— 2/16 of 11/16 WI			
	Rodney DeLange						
GEORGE P. LIVERMORE, INC.							
Lease Operator							
J. E. Woodson, et ux	W. S. Guthrie	2-14-44	24	623	Bessie C. Britton— .0546875 WI H. H. Coffield— (Suspense) .2187500 WI Obert J. Egerer and Marguerite L. Egerer .0087500 WI F. W. Lake and Estelle Lake— .0087500 WI Geo. P. Livermore, Inc. .1458334 WI Paquita L. Machris and Maurice A. Machris— .0459375 WI Reese L. Milner d/b/a Milner Oil Co.— .1917708 WI Tide Water Associated Oil Company— .1458333 WI Donald K. Weaver and Norma P. Weaver— .0546875 WI	NE 1/4 of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	
L. M. LOCKHART							
Lease Operator							
H. E. Rosser, et ux	L. M. Lockhart	6-13-49	57	83	All 7/8 WI	N. 53 acres of E 1/2 of W 1/2 of S 400 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	
H. E. Rosser, et ux	L. M. Lockhart	1-29-49	49	167	All 7/8 WI	FIRST TRACT: S 47 acres of E 1/2 of W 1/2 of S 400 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey. SECOND TRACT: SE 1/4 and W 1/2 lying N and E of P&NT RR. Co. Right of Way in Sec. 178, Blk. 3, H&GN RR. Co. Survey, except a strip of land 100 ft. by 430 ft., containing 353 acres, more or less.	
Kate N. Thrane, et vir	L. M. Lockhart	2-3-49	49	159	All 7/8 WI	W 1/2 of NE 1/4 of Sec. 178, Blk. 3, H&GN RR. Co. Survey.	
B. M. McHaney, et ux	L. M. Lockhart	1-27-49	49	173	All 7/8 WI	E 160.6 acres of N 240 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	
LONE STAR PRODUCING COMPANY							
Lease Operator							
Tennie E. Bynum	Lone Star Producing Company	2-22-49	49	15	All 7/8 WI	NE 1/4 of Sec. 253, Blk. 97, H&TC RR. Co. Survey.	
Foster Petroleum Corporation	Grover G. Goode	2-28-49	49	95	Lone Star Producing Co.— 1/2 of 7/8 WI J. A. Humphrey— 1/2 of 7/8 WI (Under separate lease)	E 100.12 acres of S 1/2 of Sec. 253, Blk. 97, H&TC RR. Co. Survey.	
Foster Petroleum Corporation	Grover G. Goode	3-8-49	51	29	Lone Star Producing Co.— 1/2 of 7/8 WI J. A. Humphrey— 1/2 of 7/8 WI (Under separate lease)	52/124 Interest in N 123.92 acres out of E 247 acres of S 1/2 of Sec. 255, Blk. 97, H&TC RR. Co. Survey.	
Fred S. Wright, et al	Gene Goff	7-29-49	60	189	Lone Star Producing Co.— 1/2 of 7/8 WI J. A. Humphrey— 1/2 of 7/8 WI (Under separate lease)	10/124 Interest in N 123.92 acres out of E 247 acres of S 1/2 of Sec. 255, Blk. 97, H&TC RR. Co. Survey.	
Lyle L. Deffebach, et ux	Lone Star Producing Company	2-16-49	50	432	Lone Star Producing Co.— All 7/8 WI Strebor Oil Co. Inc. (Oil & Gas Lease— 1/4 term Mineral Interest)	74.59 acres, being a part of Lot or Tract 18 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, of Sec. 40 of Kirkland & Fields Survey.	

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NC TRA
Guy Glenn, et ux	Lone Star Produc- ing Company	2-4-49	48 206	All $\frac{7}{8}$ WI	147.827 acres out of W $\frac{1}{2}$ of Sec. 18, Blk. 1, J. P. Smith Survey.	75
Guy Glenn, et ux	Lone Star Produc- ing Company	2-4-49	50 429	All $\frac{7}{8}$ WI	35.88 acres out of E $\frac{1}{2}$ of Tract 20 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, of Sec. 40, Kirkland & Fields Survey.	84
Pearl B. Lary	Lone Star Produc- ing Company	2-5-49	48 200	All $\frac{7}{8}$ WI	158.38 acres being Tract 30 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, being SW portion of Sec. 16, J. P. Smith Survey.	175
O. C. Rosson, et ux	Lone Star Produc- ing Company	2-15-49	48 197	All $\frac{7}{8}$ WI	S 166.11 acres, being SE $\frac{1}{4}$ of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	27C
Nolan C. von Roeder, et ux	C. T. McLaughlin	12-27-48	47 351	All $\frac{7}{8}$ WI	143.55 acres of Tract 20 being N part of Sec. 39 and S part of Sec. 40 of Kirkland & Fields Survey.	143
R. W. Webb, et ux	Lone Star Produc- ing Company	2-3-49	48 195	All $\frac{7}{8}$ WI	221.20 acres out of Survey 17, J. P. Smith Survey, and being Tract 24 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	124
C. T. McLaughlin, et ux	R. Murray Johnson	12-30-48	48 195	All $\frac{7}{8}$ WI	$\frac{3}{4}$ Mineral Interest in W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	329
L. B. Johnson and R. Murray Johnson	Lone Star Produc- ing Company	1-10-49	47 41	All $\frac{7}{8}$ WI	$\frac{1}{4}$ Mineral Interest in W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	329
E. H. Williamson, et al R. W. Baxter	R. W. Baxter Clarence Nors- worthy, Jr.	2-18-49 4-12-49	51 71 52 20	Lone Star Producing Co.— $\frac{1}{2}$ of $\frac{7}{8}$ WI Clarence Norsworthy, Jr.— $\frac{1}{4}$ of $\frac{7}{8}$ WI Standard-Fryer Drlg. Co.— $\frac{1}{4}$ of $\frac{7}{8}$ WI	40 acres in SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 256, Blk. 97, H&TC RR. Co. Survey.	161
<p><i>J.C. Nowell</i> <i>W.P. Luse</i> <i>4463-B</i></p> <p>WILLIAM P. LUSE Lease Operator</p>						
Glen W. Huffman and Emma Huffman	W. P. Luse	5-30-49	55 413	All $\frac{7}{8}$ WI	Being a part of Sec. 14 of the J. P. Smith lands, particularly described as follows: BEGINNING 40 ft. W of NW cor. of the 25 acre tract that J. J. Jarvis et al, conveyed to J. W. Lowbar on Nov. 3, 1890, as shown by deed of record in Book 4 on page 55 of the Deed Records of Scurry County, Texas; said NW cor. of said 25 acre tract being 602 vrs N of the SW cor. of Sec. 180 in Blk. 3, H&GN RR. Co. Survey, and 377 vrs W from SW cor. of said Sec. 180, Blk. 3, H&GN Survey; Thence W 188.4 vrs to a stake for NW cor. of this tract; Thence S 385.4 vrs to a post set in N line of Snyder and Gail Public Roads for SW cor. of this tract; Thence S 70 $\frac{1}{2}$ deg. E 200 vrs with the N line of said road to the SE cor. of this tract and 40 ft. W of the W line of the tract sold to Cates; Thence N 453.2 vrs to place of beginning, containing 14 acres of land.	193
J. E. LeMond and Mollie A. LeMond	W. P. Luse	6-2-49	56 23	All $\frac{7}{8}$ WI	BEGINNING 225 vrs N of the NW cor. of Sec. 181, Blk. 3, H&GN RR. Co. Survey in Scurry County, Texas, and in the E line of Sec. 14, being a part of Survey patented to J. P. Smith, a stake for corner; Thence N with the E line of said Sec. 14, a distance of 469.8 vrs to a stake for corner; Thence W at right angles with E line and parallel with the N line of Sec. 14, a distance of 360 vrs to a stake for corner; Thence S 469.8 vrs to a stake for corner; Thence E parallel with the N line of Sec. 14, a distance of 360 vrs to the place of beginning, containing 25.18 acres of land, more or less.	192
J. A. Dever and Jessie L. Dever	W. P. Luse	5-30-49	55 411	All $\frac{7}{8}$ WI	All that certain tract or parcel of land situated in Scurry County, Texas, and being a part of the N portion of Section or Survey 14, of the J. P. Smith Survey; said section having been patented to J. P. Smith on Aug. 30, 1883, by Patent No. 459, Vol. 7; BEGINNING at a stake for SE corner of this tract, which stake is 160 vrs N 70 $\frac{1}{2}$ deg. W from a point that is 10.8 vrs N from the SW cor. of Sec. 180, Blk. 3, H&GN RR. Co. Surveys in said Scurry County, Texas; Thence N 241.3 vrs to NE corner of this tract belonging to A. C. Wilmet; Thence W 234 vrs to NW corner of this tract in the SW corner of said Wilmet 25.18 acre tract; Thence S 120.6 vrs to SW corner of this tract in the N margin of the Snyder-Gail public road; Thence S 71.5 deg. E 250 vrs to the place of beginning, containing 4.86 acres of land to be the same, more or less.	192
Wayne Boren and Esther C. Boren	Ralph E. Graham	12-17-49	80 115	All $\frac{7}{8}$ WI	5 acres out of E part of Sec. 14 of the J. P. Smith Survey, described as follows: BEGINNING on E line of Sec. 14 at the SW corner of Sec. 180, Blk. 3, H&GN RR. Co. Surveys; Thence N with dividing line of Sec. 14 and Sec. 180, 214.2 vrs to NE cor; Thence W 150.5 vrs to NW cor.; Thence S 161.2 vrs to SW cor.; Thence S 70 $\frac{1}{2}$ deg. E 160 vrs to place of beginning.	192

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Exhibit "E" Page :

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO TRAC
MAGNOLIA PETROLEUM COMPANY <i>Lease Operator</i>						
Emmett Lefors, et al	Magnolia Pet. Co.	3-29-45	27 544	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{15}{16}$ interest in NE $\frac{1}{4}$ of Sec. 336 An und. $\frac{15}{16}$ interest in W $\frac{1}{2}$ of W $\frac{1}{2}$ of Sec. 336 An und. $\frac{15}{16}$ interest in W $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335 An und. $\frac{7}{8}$ interest in E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 298 All interest in W $\frac{1}{2}$ of N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 298—all in Blk. 97, H&TC RR. Co. Survey.	93 95 102 107 107
S. M. Dobson	Magnolia Pet. Co.	3-29-45	27 552	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{16}$ interest in NE $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{16}$ interest in W 160 acres of Sec. 336 An und. $\frac{1}{16}$ interest in W $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335—all in Blk. 97, H&TC RR. Co. Survey.	93 95 102
1st Nat'l Bank of Snyder, Texas	Magnolia Pet. Co.	7-10-45	26 609	All $\frac{7}{8}$ WI	$\frac{1}{8}$ interest in E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	10
R. H. Odom, et ux	Magnolia Pet. Co.	8-9-40	22 160	All $\frac{7}{8}$ WI	N 158.01 acres out of W 320.93 acres of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	26
H. G. Moore, et ux	Magnolia Pet. Co.	1-26-44	25 2	All $\frac{7}{8}$ WI	Insofar as said lease covers: N $\frac{1}{2}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	28
Lester O. Moore, et ux	Magnolia Pet. Co.	2-16-44	25 78	All $\frac{7}{8}$ WI	E 30 acres of NE $\frac{1}{4}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey.	28
A. C. Martin, et ux	W. S. Guthrie	6-7-43	24 349	All $\frac{7}{8}$ WI	Insofar as said lease covers: W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 190, Blk. 97, H&TC RR. Co. Survey.	28
Fred E. Davis, et ux	Magnolia Pet. Co.	2-10-44	26 26	All $\frac{7}{8}$ WI	W 131.28 acres of NE $\frac{1}{4}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey.	28
Erton F. Tate, et ux	R. H. Cantrill	2-2-44	26 13	All $\frac{7}{8}$ WI	S 162.47 acres of W 322.47 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	2
T. J. Biggs, et ux	Magnolia Pet. Co.	4-22-44	25 173	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 206, Blk. 97, H&TC RR. Co. Survey.	2
A. B. Elcke, et ux	Magnolia Pet. Co.	4-12-44	25 176	All $\frac{7}{8}$ WI	S 162.92 acres of W 320.93 acres of Sec. 209, Blk. 97, H&TC RR. Co. Survey.	2
Ida Maxwell, et al	Magnolia Pet. Co.	6-16-44	26 78	All $\frac{7}{8}$ WI	Insofar as said lease covers: S $\frac{1}{2}$ of Sec. 206, and W 120.2 acres of N $\frac{1}{2}$ of N $\frac{1}{2}$ of Sec. 191, Blk. 97, H&TC RR. Co. Survey.	2
J. E. Hardy	Magnolia Pet. Co.	5-28-48	38 309	All $\frac{7}{8}$ WI	Insofar as said lease covers: $\frac{1}{2}$ interest in SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	2
Stacia Irene Crawford	Magnolia Pet. Co.	9-25-48	43 291	All $\frac{7}{8}$ WI	Insofar as said lease covers: $\frac{1}{2}$ interest in SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 207, Blk. 97, H&TC RR. Co. Survey.	2
S. E. McCowen, et ux	Magnolia Pet. Co.	5-28-48	38 313	All $\frac{7}{8}$ WI	S 163.09 acres of W 323.09 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	2
Dink Lyons, et ux	Lake Fowler	9-2-48	41 429	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 250, Blk. 97, H&TC RR. Co. Survey.	1
R. A. Smith, et ux	Lake Fowler	9-1-48	41 421	All $\frac{7}{8}$ WI	239.80 acres out of E side of Sec. 292, Blk. 97, H&TC RR. Co. Survey.	
Leonard W. Spence, et ux	Lake Fowler	9-1-48	41 427	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 294, Blk. 97, H&TC RR. Co. Survey	
P. J. Collins, et ux	Lake Fowler	8-27-48	41 431	All $\frac{7}{8}$ WI	Tract 16 of Dallas Trust and Savings Bank Subdivision of Grimes Ranch Lands, being 14 acres of Sec. 20 and 149.2 acres of Sec. 19, J. P. Smith Survey.	
L. H. McClinton, et ux	Lake Fowler	8-30-48	41 425	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.	
Harvey Shuler, et ux	J. Gordon Bristow	6-29-48	39 393	All $\frac{7}{8}$ WI	308.37 acres being SW part of Sec. 292, Blk. 97, H&TC RR. Co. Survey.	
C. L. Noble, et ux	Lake Fowler	8-30-48	41 419	All $\frac{7}{8}$ WI	W $\frac{1}{2}$ of Sec. 294, Blk. 97, H&TC RR. Co. Survey.	
A. E. Lee, et ux	Lake Fowler	9-1-48	43 67	All $\frac{7}{8}$ WI	West 10 acres of NW $\frac{1}{4}$ of Sec. 251, and East 283.58 acres of Sec. 252, Blk. 97, H&TC RR. Co. Survey.	
T. J. McDonnell, et al	Magnolia Pet. Co.	12-1-48	45 437	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{2}$ interest in N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	
Mary L. Cantrill	Magnolia Pet. Co.	12-1-48	45 445	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{4}$ interest in N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	
Edward Marcus, et al	Magnolia Pet. Co.	3-30-50	87 301	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{4}$ interest in N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRAC
T. J. McDonnell, et al	Magnolia Pet. Co.	12-1-48	45 535	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{15}{16}$ Interest in SE $\frac{1}{4}$ of Sec. 336 An und. $\frac{3}{16}$ Interest in N 40.999 acres of E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{7}{16}$ Interest in S 10.25 acres of E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 336 and an und. $\frac{3}{16}$ Interest in S 30.775 acres of N 71.8 acres of E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{7}{16}$ Interest in NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336 An und. $\frac{7}{16}$ Interest in E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335 An und. $\frac{1}{2}$ Interest in SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 298 An und. $\frac{1}{2}$ Interest in NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 298 An und. $\frac{15}{16}$ Interest in NW $\frac{1}{4}$ of Sec. 297 An und. $\frac{7}{16}$ Interest in SW $\frac{1}{4}$ of Sec. 297 An und. $\frac{7}{16}$ Interest in NE $\frac{1}{4}$ of Sec. 297, all in Blk. 97, H&TC RR. Co. Survey.	94 95 96 97 101 105 108 110 111 112
W. S. Guthrie	Magnolia Pet. Co.	12-1-48	45 543	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{8}$ Interest in SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{8}$ Interest in E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335 An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 298 An und. $\frac{1}{8}$ Interest in SW $\frac{1}{4}$ of Sec. 297 An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of Sec. 297, all in Blk. 97, H&TC RR. Co. Survey.	95 96 97 101 108 111 112
L. B. Johnson, et vir	Magnolia Pet. Co.	12-1-48	45 538	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{8}$ Interest in SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{8}$ Interest in E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335 An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 298 An und. $\frac{1}{8}$ Interest in SW $\frac{1}{4}$ of Sec. 297 An und. $\frac{1}{8}$ Interest in NE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	95 96 97 101 108 111 112
W. S. Guthrie, et al	Magnolia Pet. Co.	12-1-48	45 547	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{3}{8}$ Interest in SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	105
Lyle Deffebach, Agent	Magnolia Pet. Co.	12-8-48	46 15	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{8}$ Interest in SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	105
S. M. Dobson	Magnolia Pet. Co.	12-1-48	50 265	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{16}$ Interest in SE $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{16}$ Interest in NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{16}$ Interest in SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{16}$ Interest in NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{16}$ Interest in E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 335 An und. $\frac{1}{16}$ Interest in NW $\frac{1}{4}$ of Sec. 297 An und. $\frac{1}{16}$ Interest in SW $\frac{1}{4}$ of Sec. 297 An und. $\frac{1}{16}$ Interest in NE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	94 95 96 97 101 110 111 112
McAlester Fuel Co.	Coffield and Guthrie	1-30-39	19 606	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{4}$ Interest in NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	108
Emmett LeFors, et ux	Magnolia Pet. Co.	12-1-48	53 29	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{4}$ Interest in N 41.025 acres of E 71.8 acres of W 143.6 acres of N 287.2 acres of Sec. 336. An und. $\frac{1}{4}$ Interest in S 30.775 acres of E 71.8 acres of W 143.6 acres of N 287.2 acres of Sec. 336, all in Blk. 97, H&TC RR. Co. Survey.	95 96
McAlester Fuel Co.	John Darden	5-11-50	90 157	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{4}$ Interest in NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{4}$ Interest in SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 336 An und. $\frac{1}{4}$ Interest in NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 336, all in Blk. 97, H&TC RR. Co. Survey.	95 96 97
A. J. Logan, et ux	Lake Fowler	8-30-48	41 423	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 296, and SW $\frac{1}{4}$ of Sec. 295, and NE $\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.	118
Mrs. Lily Van Winkle, et al	Lake Fowler	8-27-48	42 323	All $\frac{7}{8}$ WI	$\frac{3}{4}$ Interest in E $\frac{1}{2}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey, except 22.102 acres.	86
Mrs. Lily Van Winkle	Lake Fowler	8-27-48	42 323	All $\frac{7}{8}$ WI	All Interest in 8.84 acres of above 22.102 acres, Sec. 338, Blk. 97, H&TC RR. Co. Survey.	86A
Lincoln Nat'l Life Insurance Co.	Lake Fowler	11-17-48	47 17	All $\frac{7}{8}$ WI	$\frac{1}{4}$ Interest in E $\frac{1}{2}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey, except 22.102 acres in rights of way.	86
Mrs. Mimmie Smith, et al	Magnolia Pet. Co.	1-26-49	48 17	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of Sec. 18, J. P. Smith Survey, except 5.92 acres in RS&P RR. Co. and P&SF RR. Co. rights of way.	75
Kate N. Thrane, et vir	Magnolia Pet. Co.	2-18-49	49 89	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{2}$ Interest in W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 338 An und. $\frac{1}{2}$ Interest in E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 338 all in Blk. 97, H&TC RR. Co. Survey.	88 89

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE		WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO TRAC
G. R. Kribbs	R. R. Herrell	7-9-48	39	321	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. 20/330 Interest in $W\frac{1}{2}$ of $NW\frac{1}{4}$ of Sec. 338 An und. 20/330 Interest in $E\frac{1}{2}$ of $SW\frac{1}{4}$ of Sec. 338 all in Blk. 97, H&TC RR. Co. Survey.	88 89
C. H. Langford	Robert K. Gilbert	2-3-49	47	357	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{4}$ Interest in $W\frac{1}{2}$ of $NW\frac{1}{4}$ of Sec. 338 An und. $\frac{1}{4}$ Interest in $E\frac{1}{2}$ of $SW\frac{1}{4}$ of Sec. 338 all in Blk. 97, H&TC RR. Co. Survey.	88 89
E. E. Spears	Robert K. Gilbert	2-9-49	47	355	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{16}$ Interest in $W\frac{1}{2}$ of $NW\frac{1}{4}$ of Sec. 338 An und. $\frac{1}{16}$ Interest in $E\frac{1}{2}$ of $SW\frac{1}{4}$ of Sec. 338 all in Blk. 97, H&TC RR. Co. Survey.	88 89
J. Ralph Stewart	Robert K. Gilbert	2-3-49	47	353	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. $\frac{1}{16}$ Interest in $W\frac{1}{2}$ of $NW\frac{1}{4}$ of Sec. 338 An und. $\frac{1}{16}$ Interest in $E\frac{1}{2}$ of $SW\frac{1}{4}$ of Sec. 338 all in Blk. 97, H&TC RR. Co. Survey.	8 8
R. R. Herrell	Robert K. Gilbert	2-11-49	47	359	All $\frac{7}{8}$ WI	Insofar as said lease covers: An und. 21.25/330 Interest in $W\frac{1}{2}$ of $NW\frac{1}{4}$ of Sec. 338 An und. 21.25/330 Interest in $E\frac{1}{2}$ of $SW\frac{1}{4}$ of Sec. 338, all in Blk. 97, H&TC RR. Co. Survey.	8 8
MONCRIEF, HOPE, CROSBY AND TEAS							
<i>Lease Operator</i>							
R. J. Randals, et ux	R. H. Cantrill	2-14-44	24	633	W. A. Moncrief, 3/16 of $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 208, Blk. 97, H&TC RR. Co. Survey.	2
A. W. Simpson, et ux	R. H. Cantrill	2-14-44	25	10	W. A. Moncrief, Jr., 1/32 of $\frac{7}{8}$ WI R. B. Moncrief, 1/32 of $\frac{7}{8}$ WI Lester T. Hope, 1/4 of $\frac{7}{8}$ WI Harry L. Crosby, Jr., 1/4 of $\frac{7}{8}$ WI Paul C. Teas, 1/8 of $\frac{7}{8}$ WI Clark & Cowden Drig. Co. 1/8 of $\frac{7}{8}$ WI		
C. W. Huckabee, et ux	Paul C. Teas	4-16-49	52	411	W. A. Moncrief 46/192 of 13/14 of $\frac{7}{8}$ WI Lester T. Hope 46/192 of 13/14 of $\frac{7}{8}$ WI Harry L. Crosby, Jr. 46/192 of 13/14 of $\frac{7}{8}$ WI Paul C. Teas 21/192 of 13/14 of $\frac{7}{8}$ WI Clark & Cowden Drig. Co. 21/192 of 13/14 of $\frac{7}{8}$ WI Fred Madera 12/192 of 13/14 of $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 160, Blk. 3, H&GN RR. Co. Survey.	
Cone J. Merritt, et ux	J. Gordon Bristow	5-1-46	29	387	W. A. Moncrief— 1/4 of 15/16 of $\frac{7}{8}$ WI Lester T. Hope— 1/4 of 15/16 of $\frac{7}{8}$ WI Harry L. Crosby, Jr.— 1/4 of 15/16 of $\frac{7}{8}$ WI Paul C. Teas 1/8 of 15/16 of $\frac{7}{8}$ WI Clark & Cowden Drig. Co. 1/8 of 15/16 of $\frac{7}{8}$ WI	Tract 36 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, also known as Tract 36, Sur. 14, J. P. Smith Survey.	
Snyder Country Club, et al	Paul C. Teas	4-18-49	53	256	W. A. Moncrief— 46/192 of $\frac{7}{8}$ WI Lester T. Hope— 46/192 of $\frac{7}{8}$ WI Harry L. Crosby, Jr.— 46/192 of $\frac{7}{8}$ WI Paul C. Teas— 21/192 of $\frac{7}{8}$ WI Clark & Cowden Drig. Co. 21/192 of $\frac{7}{8}$ WI Fred Madera, Jr.— 12/192 of $\frac{7}{8}$ WI	99.7 acres out of the SW part of Sec. 178 Blk. 3, H&GN RR. Co. Survey.	
Luther F. Vaughn, et ux	R. H. Cantrill	2-14-44	52	294	W. A. Moncrief— 6/32 of 49/64 WI W. A. Moncrief, Jr.— 1/32 of 49/64 WI R. B. Moncrief— 1/32 of 49/64 WI Lester T. Hope— 1/4 of 49/64 WI Harry L. Crosby, Jr.— 1/4 of 49/64 WI Paul C. Teas— 1/8 of 49/64 WI Clark & Cowden Drig. Co. 1/8 of 49/64 WI	E 120 acres of $SW\frac{1}{4}$ of Sec. 249, Blk. 97, H&TC RR. Co. Survey.	

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT
Mrs. Nannie L. Harrell a widow	Paul C. Teas	4-6-49	55 213	W. A. Moncrief— 1/4 of 7/8 WI Harry L. Crosby, Jr.— 1/4 of 7/8 WI Lester T. Hope— 1/4 of 7/8 WI Paul C. Teas— 1/8 of 7/8 WI Clark & Cowden Drig. Co. 1/8 of 7/8 WI	All of Tract 34 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, being a part of Sec. 15, Blk. 1, J. P. Smith Survey.	200
J. A. Joyce, et ux	Paul C. Teas	4-18-49	53 85	W. A. Moncrief— 46/192 of 7/8 WI Harry L. Crosby, Jr.— 46/192 of 7/8 WI Lester T. Hope— 46/192 of 7/8 WI Paul C. Teas— 21/192 of 7/8 WI Clark & Cowden Drig. Co. 21/192 of 7/8 WI Fred Madera, Jr.— 12/192 of 7/8 WI	NE 1/4 and N 1/2 of SE 1/4 of Sec. 15, Blk. 1, J. P. Smith Survey.	188
E. S. Wilkison, et al	Paul C. Teas, et al	4-18-49	52 277	W. A. Moncrief— 46/192 of 7/8 WI Harry L. Crosby, Jr.— 46/192 of 7/8 WI Lester T. Hope— 46/192 of 7/8 WI Paul C. Teas— 7/64 of 7/8 WI Clark & Cowden Drig. Co. 7/64 of 7/8 WI Fred Madera, Jr.— 1/16 of 7/8 WI	N 80 acres of SW 1/4 of Sec. 17, Blk. 1, J. P. Smith Survey.	139
W. A. MONCRIEF, JR.						
<i>Lease Operator</i>						
C. M. Payne, et ux	W. A. Moncrief, Jr.	4-27-49	54 57	All 7/8 WI	W 83.03 acres out of N 118 acres out of S 1/2 of Sec. 179, Blk. 3, H&GN RR. Co. Survey.	183
J. H. MOORE AND C. H. SWEET						
<i>Lease Operator</i>						
W. W. Rogers, Jr., et ux	J. H. Moore and C. H. Sweet	10-18-49	67 425	J. H. Moore— 1/2 of 7/8 WI C. H. Sweet— 1/2 of 7/8 WI	Being a part of a certain 37.8 acre tract out of Sec. 14, J. P. Smith Survey, sold and conveyed by J. Monroe, et ux to W. W. Rogers, by deed of record, Book 58 page 170, deed records Scurry County, Texas, more particularly described as follows: Beginning at the NW corner of said 37.8 acre tract, following the W BL of said 37.8 acre tract S to a point the width of 1 acre from said NW corner; Thence E parallel with the N BL of the said 37.8 acre tract for a distance equal to twice the width of the W BL; Thence N parallel with the W BL herein described to a point in the N BL of said 37.8 acre tract; Thence W to the place of beginning, same being a rectangular strip of land, containing 2 acres of land.	194
W. W. Rogers, Jr., et ux	J. H. Moore and C. H. Sweet	10-18-49	67 423	J. H. Moore— 1/2 of 7/8 WI C. H. Sweet— 1/2 of 7/8 WI	Being a part of a certain 37.8 acre tract out of Sec. 14, J. P. Smith Survey, conveyed by J. Monroe, et ux to W. W. Rogers, by deed recorded in Vol. 58, page 170, deed records, Scurry County, Texas, more particularly described as follows: Beginning at the NW corner of a 4 acre tract out of said 37.8 acre tract conveyed by W. W. Rogers et ux to J. Monroe, recorded in Vol. 67, Page 564, Deed Records, Scurry County, Texas; Thence W fol- lowing the NBL of the said 37.8 acre tract to the NE corner of a 5 acre tract, out of said 37.8 acre tract con- veyed by W. W. Rogers et ux to J. A. McKinney, recorded Vol. 86, page 162, deed records Scurry County, Texas; Thence S, following the E BL of said 5 acre tract to SE corner of said 5 acre tract; Thence S 70 1/2 deg. E fol- lowing the S BL of the said 37.8 acre tract to the SW corner of said 4 acre tract; Thence N following the WBL of the 4 acre tract to the place of beginning, containing 11 acres more or less.	196
Wm. Wheeler Rogers, Gdn of Estate of W. W. Rogers	J. H. Moore and C. H. Sweet	11-12-49	71 181	J. H. Moore— 1/2 of 7/8 WI C. H. Sweet— 1/2 of 7/8 WI		
NEWMAN BROS. DRILLING COMPANY						
<i>Lease Operator</i>						
H. H. Eiland, et ux	Erle Payne	9-3-43	24 487	Newman Bros. Drig. Co., Alaska Steamship Co., and Calvert Corporation, et al—All 7/8 WI	N 1/2 of Sec. 202, Blk. 97, H&TC RR. Co. Survey.	304
Hugh Boren, et ux	P. W. Anderson	3-9-44	25 209	Newman Bros. Drig. Co., Alaska Steamship Co., and Calvert Corporation, et al—All 7/8 WI	NE 1/4 of Sec. 247, Blk. 97, H&TC RR. Co. Survey.	227

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION
J. J. NOLAN <i>Lease Operator</i>					
S. H. Musgrove, et ux	J. R. Hunter	2-15-49	48 210	Adele S. Epstein— 13.7479% WI Dorothy K. Nolan— 13.7479% WI Joan Epstein— 6.8739% WI Helen Patricia Nolan— 6.8739% WI Helen R. Nolan— 6.8739% WI J. J. Nolan— 6.8739% WI James Edward Nolan— 6.8739% WI James P. Nolan— 6.8739% WI John Jeremiah Nolan— 6.8739% WI I. Epstein— 6.8739% WI Robert D. Mebane— 3.6458% WI	Tract 14 of Dallas Trust and Savings Bank Subdivision of Grimes Ranch Lands.
OHIO OIL COMPANY <i>Lease Operator</i>					
M. A. Carden	The Ohio Oil Co.	7-3-48	41 225	All $\frac{7}{8}$ WI	$SW\frac{1}{4}$ of $SW\frac{1}{4}$ and $NW\frac{1}{4}$ of $SW\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.
S. D. Hays, Sr., et ux	The Ohio Oil Co.	7-2-48	40 445	All $\frac{7}{8}$ WI	$NW\frac{1}{4}$ of Sec. 249, Blk. 97, H&TC RR. Co. Survey.
JOSEPH I. O'NEILL, JR. <i>Lease Operator</i>					
A. L. Wren, et ux	Neal Musgrove and E. Baker	12-17-46	30 569	Joseph I. O'Neill, Jr. $\frac{5}{64}$ of $\frac{7}{8}$ WI Wm. P. Castleman, Jr. $\frac{5}{64}$ of $\frac{7}{8}$ WI Walter Duncan— $\frac{5}{32}$ of $\frac{7}{8}$ WI Estate of J. R. Hunter $\frac{4}{32}$ of $\frac{7}{8}$ WI Louise W. Hunter— $\frac{4}{32}$ of $\frac{7}{8}$ WI Chas. S. Atchison $\frac{12}{32}$ of $\frac{7}{8}$ WI R. D. Mebane— $\frac{1}{32}$ of $\frac{7}{8}$ WI Fred W. Shield— $\frac{1}{32}$ of $\frac{7}{8}$ WI	$W\frac{1}{2}$ of Tract 12 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands of Sec. 20, J. P. Smith Survey.
H. C. Huckabee, et ux	Joseph I. O'Neill, Jr.	4-16-49	52 15	Joseph I. O'Neill, Jr. $\frac{1}{8}$ of $\frac{7}{8}$ WI Wm. P. Castleman, Jr. $\frac{1}{8}$ of $\frac{7}{8}$ WI Walter Duncan— $\frac{1}{4}$ of $\frac{7}{8}$ WI Estate of J. R. Hunter $\frac{1}{4}$ of $\frac{7}{8}$ WI Louise W. Hunter— $\frac{1}{4}$ of $\frac{7}{8}$ WI	$NE\frac{1}{4}$ of Sec. 160, Blk. 3, H&GN RR. Co. Survey.
Venita Browning, et vir	Ryan, Hays & Burke, a partnership	2-3-49	47 459	Joseph I. O'Neill, Jr. $\frac{1}{8}$ of $\frac{7}{8}$ WI Wm. P. Castleman, Jr. $\frac{1}{8}$ of $\frac{7}{8}$ WI Walter Duncan— $\frac{1}{4}$ of $\frac{7}{8}$ WI Estate of J. R. Hunter $\frac{1}{4}$ of $\frac{7}{8}$ WI Louise W. Hunter— $\frac{1}{4}$ of $\frac{7}{8}$ WI	N 145.8 acres of the $W\frac{1}{2}$ of Sec. 18, J. P. Smith Survey, described by metes and bounds as follows: BEGINNING at a stake and set stone in the N line of this Section, 987 vrs W from the NE corner of this Section for the NE corner of this tract, said stake in the E line of Public Highway; Thence W with N line of this Section 987 vrs to an iron bar driven in the ground the NW corner of this Section and is the NW corner of this tract; Thence S with the W line of this Section 163 vrs to a stake in the RR. Right of Way N line; Thence S with said right of way. 1651 vrs to a stake in said Right of Way on the W side of Public Highway; Thence N with the E line of this tract and the W line of the $E\frac{1}{2}$ 1505 vrs, to the place of beginning, and being the same land described in Warranty Deed dated March 28, 1928, executed by J. F. Davis and wife, Lella Davis, to Tom C. Davis, and recorded in Vol. 58 at page 427 of the Deed Records of Scurry County, Texas, and containing 145.8 acres, more or less.

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Exhibit "E" Page 14

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT	
H. O. Beard, et ux (1/2 Mineral Interest) E. E. Spears, et ux (1/4 Mineral Interest) J. Ralph Stewart (1/4 Mineral Interest)	A. W. Simpson Walter Duncan Walter Duncan	4-16-49 4-16-49 4-16-49	52 52 52	11 17 69	Joseph I. O'Neill, Jr. 1/4 of 7/8 WI Wm. P. Castleman, Jr. 1/4 of 7/8 WI Walter Duncan 1/2 of 7/8 WI	SE 1/4 of Sec. 19, Blk. 1, J. P. Smith Survey, Abstract 474, Patent 415, Vol. 7, dated Aug. 29, 1883, described by metes and bounds as follows: BEGINNING at the NE corner of Sec. 18 of said J. P. Smith Survey, a post marked NE 18 in center of mound and 4 pits; Thence N 965 vrs to a post the NW corner of Sec. 160 in Blk. 3, H&GN RR. Co. Survey, and the SW corner of Sec. 21 of said J. P. Smith Survey; Thence W 987 vrs to a post marked X-19 in center of mound and 4 pits; Thence S 965 vrs to a post in the N line of Sec. 18, mkd 1/2 NBL 18; Thence E 987 vrs to the place of beginning, containing 168.5 acres, more or less.	73
Great National Life Insurance Co.	Wm. P. Castleman and Joseph I. O'Neill	4-26-49	53	420	Joseph I. O'Neill, Jr.— 1/4 of 7/8 WI Wm. P. Castleman, Jr.— 1/4 of 7/8 WI Walter Duncan— 1/2 of 7/8 WI	W 1/2 of Tract 20 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	82
Mina Watts, et vir	Walter Duncan	4-18-49	52	61	Joseph I. O'Neill, Jr.— 1/4 of 7/8 WI Wm. P. Castleman, Jr.— 1/4 of 7/8 WI Walter Duncan— 1/2 of 7/8 WI	SE 1/4 of Sec. 160, Blk. 3, H&GN RR. Co. Survey.	70
Will H. Crowder, et ux	Walter Duncan	4-16-49	52	40	Joseph I. O'Neill, Jr.— 1/8 of 7/8 WI Wm. P. Castleman, Jr.— 1/8 of 7/8 WI Walter Duncan— 1/4 of 7/8 WI Estate of J. R. Hunter 1/4 of 7/8 WI Louise W. Hunter— 1/4 of 7/8 WI	TRACT A: (Full Interest) 100 acres off W side of S part of Sec. 177, Blk. 3, H&GN RR. Co. Survey in Scurry County, and described by metes and bounds as follows: Beginning at set stone in NW corner of Sec. 178, Blk. 3, H&GN RR. Co. Survey, and also the SW corner of said Sec. 177; Thence N 1186 vrs along the W line of said Sec. 177, to set stone in W line of said Sec. 177, and at the SW corner of a 240 acre tract, being a part of said survey, thence E 475 vrs, parallel with the S line of said Sec. 177, to a stake and set stone for NE corner of this tract; thence S 1186 vrs parallel with W line of said Sec. 177, to stake in set stone in the N line of said Sec. 178 and S line of said Sec. 177; Thence W 475 vrs along the S line of said Sec. 177 to the place of beginning.	127
					TRACT B: (1/2 Mineral Interest) Tract 26, Dallas Trust and Savings Bank Sub of J. P. Smith Surveys that lies N and E of P&NT RR. Co. Right of Way, and this tract is described by field notes as follows: Beginning at the NE corner of said Sec. 17, which is also the SE corner of Sec. 18, of the said J. P. Smith Survey; thence S with the E line of said Sec. 17, a distance of 1319 vrs. to a stake in the N line of said RR. Right of Way; thence N 30 deg. W 1500 vrs to a stake in S line of said Sec. 18; Thence E 785 vrs to the place of beginning, containing 91.7 acres more or less, less 5.1 acres in Public Road Way, leaving 86.6 acres of land, more or less.	125	
Dewey Everett, et ux	Walter Duncan	4-16-49	52	42	Joseph I. O'Neill, Jr.— 1/8 of 7/8 WI Wm. P. Castleman, Jr.— 1/8 of 7/8 WI Walter Duncan— 1/4 of 7/8 WI Estate of J. R. Hunter— 1/4 of 7/8 WI Louise W. Hunter— 1/4 of 7/8 WI	TRACT B: (1/2 Mineral Interest) Tract 26, Dallas Trust and Savings Bank Sub of J. P. Smith Surveys that lies N and E of P&NT RR. Co. Right of Way, and this tract is described by field notes as follows: Beginning at the NE corner of said Sec. 17, which is also the SE corner of Sec. 18, of the said J. P. Smith Survey; thence S with the E line of said Sec. 17, a distance of 1319 vrs to a stake in the N line of said RR. Right of Way; Thence N 30 deg. W 1500 vrs to a stake in S line of said Sec. 18; Thence E 785 vrs to the place of beginning, containing 91.7 acres more or less, less 5.1 acres in Public Road Way, leaving 86.6 acres of land, more or less.	125
Luther F. Vaughn, et ux	Wm. P. Castleman, Jr. and Joseph I. O'Neill, Jr.	5-7-49	54	379	Joseph I. O'Neill, Jr.— 1/8 of 7/8 WI Wm. P. Castleman, Jr.— 1/8 of 7/8 WI Walter Duncan— 1/4 of 7/8 WI J. A. Humphrey— 1/4 of 7/8 WI Swanie Robertson— 3/16 of 7/8 WI R. C. Payne— 1/16 of 7/8 WI	W part of SW 1/4 of Survey 249, Cert. No. 43/5627, Blk. 97, H&TC RR. Co. about 4 miles S 75 deg. W from Snyder, described by metes and bounds as follows: Beginning at a stake in the S BL of Sec. 249 the SW cor. of 120 ac. tract of land (Patented); Thence W 244.1 vrs to a stone the SW cor. said Sec. 249 and the NE cor. Sec. 210 same Blk. and grantee; Thence N 953 vrs to stake in W BL said Sec. 249 for the SW cor. of the NW 1/4 thereof (Patented); Thence E 244.1 vrs to stake in the S BL said NW 1/4 Sec. and the NW cor. of said 120 ac. patented tract; Thence S 953 vrs to the place of beginning, except one acre in the SW corner.	218
PAN AMERICAN PRODUCTION COMPANY							
Lease Operator							
J. T. Biggs, et ux	G. M. Heinzelmann	12-27-45	28	207	All 7/8 WI	TRACT A: 1/2 Interest in S 40 acres out of SW 1/4 of Sec. 210, and W 40 acres out of NE 1/4 of Sec. 205, Blk. 97, H&TC RR. Co. Survey. TRACT B: 1/2 Interest in N 120. acres out of NW 1/4 of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	290 293

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION
Foster Petroleum Corporation	Pan American Production Company	4-6-49	53 273	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Interest in N 120 acres out of NW $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.
Fred S. Wright	Pan American Production Company	4-6-49	53 273	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Interest in S 40 acres out of SW $\frac{1}{4}$ of Sec. 210, and W 40 acres out of NE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.
Mrs. Effie Ramsey, et al	MCL Corporation	12-4-43	24 588	All $\frac{7}{8}$ WI	158.23 acres, being SE $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey, except 2 acres in SE corner thereof.
Gertrude Adams, et vir	MCL Corporation	8-21-44	26 249	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 211, Blk. 97, H&TC RR. Co. Survey.
J. E. Perry, et ux	MCL Corporation	2-7-44	26 20	All $\frac{7}{8}$ WI	161.03 acres, being the NW $\frac{1}{4}$ of Sec. 211, except 2.02 acres in the NW corner thereof
G. W. Bynum, et ux	MCL Corporation	11-23-43	24 570	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 212, Blk. 97, H&TC RR. Co. Survey.
Maud Carrell	MCL Corporation	8-21-44	26 243	All $\frac{7}{8}$ WI	194.468 acres out of SW $\frac{1}{4}$ of Sec. 248 and the S $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey.
Paris W. McPherson, et ux	MCL Corporation	8-21-44	26 245	All $\frac{7}{8}$ WI	2.00 acres out of SW $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey, Scurry County, Texas, beginning at a point in the NBL of State Highway 15, 141.48 vrs W and 21.6 vrs N from the SE corner of said SW $\frac{1}{4}$ of Sec. 248, for the SE corner of this tract; Thence N 106.7 vrs to a stake; Thence W 105.84 vrs to a stake; Thence S 106.7 vrs to a stake in the NBL of said Highway; Thence E 105.84 vrs along the NBL of said Highway right of way to place of beginning.
W. H. Hight, et ux	MCL Corporation	4-29-44	25 363	All $\frac{7}{8}$ WI	159.50 acres, being the SW $\frac{1}{4}$ of Sec. 247, except 1 acre in the SW corner thereof, Blk. 97, H&TC RR. Co. Survey.
S. J. Casstevens	MCL Corporation	9-8-44	26 247	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 247, Blk. 97, H&TC RR. Co. Survey.
Burl H. Lewis, et ux	MCL Corporation	6-9-44	25 366	All $\frac{7}{8}$ WI	120.433 acres, being all the SE $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey, except 40 acres in the form of a square out of the SW corner thereof.
J. N. Bates, et ux	MCL Corporation	2-14-44	26 23	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey.
Claude E. McCormick	MCL Corporation	4-4-44	25 119	All $\frac{7}{8}$ WI	All of Sec. 254, Blk. 97, H&TC RR. Co. Survey.
Janie E. Light, et al	MCL Corporation	10-28-43	24 522	All $\frac{7}{8}$ WI	S 123.85 acres of E 247 acres of S $\frac{1}{2}$ of Sec. 255, Blk. 97, H&TC RR. Co. Survey.
E. E. Woolever, et ux	MCL Corporation	4-10-44	25 156	All $\frac{7}{8}$ WI	80.647 acres being W $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 249, Blk. 97, H&TC RR. Co. Survey.
P. M. Davis, et ux	MCL Corporation	4-10-44	26 51	All $\frac{7}{8}$ WI	80.702 acres being E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 249, Blk. 97, H&TC RR. Co. Survey.
Claude E. McCormick, et ux	Pan American Production Company	7-16-49	61 155	All $\frac{7}{8}$ WI	1 acre in the SW corner of Sec. 247, Blk. 97, H&TC RR. Co. Survey.
					2.02 acres in the NW corner of Sec. 211, Blk. 97, H&TC RR. Co. Survey.

PHILLIPS PETROLEUM COMPANY

Lease Operator

B. H. Lewis, et ux	Erle Payne	8-12-43	24 455	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 212, Blk. 97, H&TC RR. Co. Survey.
W. R. Pate, et ux	W. D. Casebolt, et al	6-3-45	26 567	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 291, Blk. 97, H&TC RR. Co. Survey.
P. A. Mebane, et ux	J. Gordon Bristow	4-22-46	31 229	All $\frac{7}{8}$ WI	N $\frac{3}{4}$ of SW $\frac{1}{4}$ and W 131.80 acres of NW $\frac{1}{4}$ of Sec. 210, Blk. 97, H&TC RR. Co. Survey.
J. E. Huffman, et ux	R. E. Williams	5-16-46	29 477	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 248, Blk. 97, H&TC RR. Co. Survey.
T. A. Caudle, et ux	W. D. Casebolt, et al	6-3-45	26 565	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 291, Blk. 97, H&TC RR. Co. Survey.
Janie E. Light, et al	Erle Payne	8-13-43	24 465	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 212, Blk. 97, H&TC RR. Co. Survey, containing 161.8 acres, less 4.38 acres conveyed to State of Texas for highway purposes.
Orville Dodson, et al	C. W. Guthrie	2-21-44	25 165	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.

PLACID OIL COMPANY

Lease Operator

C. E. Ferguson, et ux	A. W. Simpson	8-10-48	40 477	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.
M. E. Fesmire, et al	C. W. Guthrie	7-28-44	26 130	All $\frac{7}{8}$ WI	W 140. acres out of W $\frac{1}{2}$ of Sec. 252, Blk. 97, H&TC RR. Co. Survey.
M. A. Carden	P. K. Mackay	3-2-46	28 233	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.
Frankie Honnoll, et al	Placid Oil Co.	1-7-49	46 17	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of Sec. 337, Blk. 97, H&TC RR. Co. Survey.

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT
THE PURE OIL COMPANY						
<i>Lease Operator</i>						
Walter Adams, et ux	G. M. Heinzelmann	9-1-45	26 617	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 383, Blk. 97, H&TC RR. Co. Survey.	39
C. B. Whatley	W. D. Casebolt	7-23-45	26 621	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of Sec. 394, Blk. 97, H&TC RR. Co. Survey.	26
C. L. Noble, et ux	W. D. Casebolt	4-20-45	26 577	All $\frac{7}{8}$ WI	123 acres out of SE $\frac{1}{4}$ of Sec. 295, Blk. 97, H&TC RR. Co. Survey.	122
J. S. Head, et ux	G. M. Heinzelmann	10-27-44	27 1	All $\frac{7}{8}$ WI	W. 80 acres of S 324.5 acres, and W 120 acres of N 240 acres of Sec. 255, Blk. 97, H&TC RR. Co. Survey.	162
R. W. Boyd, et ux	G. M. Heinzelmann	3-13-45	26 517	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 214, and W 80.97 acres of SE $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	247 249
M. M. Boyd, et ux	G. M. Heinzelmann	3-13-45	26 515	All $\frac{7}{8}$ WI	E $\frac{3}{4}$ of SE $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	250 249
Mrs. Iona Williamson, et vir	G. M. Heinzelmann	3-13-45	26 521	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	248
Mrs. Nellie Williamson, Admx.	G. M. Heinzelmann	12-13-44	26 483	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey.	238
FLOYD C. RAMSEY						
<i>Lease Operator</i>						
Lois Sears Sentell, et vir	Floyd C. Ramsey	11-20-48	47 65	Floyd C. Ramsey— 12638/30,000 of $\frac{7}{8}$ WI Emily Hall Adams and 96 other persons, distributees on dissolution of the Ramsey Petroleum Company, as their interests appear on distribution; said Emily Hall Adams and 96 other persons being non-operators of said property, which is being operated by Floyd C. Ramsey, as Operator. Said persons holding 17362/30,000 of $\frac{7}{8}$ WI	The North 157.6 acres of the NW $\frac{1}{4}$ of Sec. 22, Blk. 1, J. P. Smith Survey—the same being the East 157.6 acres of Tract No. 4 out of the original surveys 22 and 21, Blk. 1, J. P. Smith Survey, said Tract 4 containing 227.5 acres of land, more or less, it being intended to include in the lease all of said Tract 4 that is included in the NW $\frac{1}{4}$ of said original survey 22, containing 157.6 acres, more or less, also described as the East 157.6 acres of Tract 4, Dallas Trust & Savings Bank Subdivision.	63
Ted Haney, et ux	Floyd C. Ramsey	8-25-48	41 103	Floyd C. Ramsey— 12638/30,000 of 27/32 WI Emily Hall Adams, et al— 17362/30,000 of 27/32 WI	N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 184, Blk. 97, H&TC RR. Co. Survey.	327
S. B. ROBERTS						
<i>Lease Operator</i>						
Burl H. Lewis, et ux	MCL Corporation	6-9-44	25 366	All $\frac{7}{8}$ WI	40 acres in the form of a square out of SW corner of SE $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey.	234
RYAN, HAYS & BURKE						
<i>Lease Operator</i>						
Panhandle & Santa Fe Railway Company	Ryan, Hays & Burke	9-23-49	79 381	Ryan, Hays & Burke— $\frac{1}{2}$ of $\frac{5}{8}$ WI Ralph Stolkin— $\frac{1}{4}$ of $\frac{5}{8}$ WI A. L. Koolish— $\frac{1}{4}$ of $\frac{5}{8}$ WI	All that certain strip or tract of land situated in Survey 338, Blk. 97, H&TC RR.; Survey 40, Kirkland & Fields, Surveys 18 and 17, Blk. 1, J. P. Smith; and, Survey 178, Blk. 3, H&GN RR. Co., all near Snyder in Scurry County, Texas, and more particularly described as follows: A strip of land 200 ft. in width, lying 100 ft. on each side of the hereinafter described center line of the main track of Panhandle and Santa Fe Railway Company, as now located and constructed, and extending from the north line of said Survey 338 in a southeasterly direction a distance of 537 ft., more or less, to a perpendicular to said main track center line at Location Station 6507; thence the strip of land is 100 ft. in width, lying 50 ft. on each side of said main track center line, and continuing southeasterly across said Surveys 338 and 40 a distance of 4507.7 ft. to a perpendicular to said main track center line at location station 6462; thence the strip of land is 150 ft. in width, lying 50 ft. on the northeasterly side and 100 ft. on the southwesterly side of said main track center line, and continuing southeasterly a distance of 1000 ft. to a perpendicular to said main track center line at Location Station 6452; thence the strip of land is 100 ft. in width, lying 50 ft. on each side of said main track center line, and continuing southeasterly across said Surveys 40 and 18 a distance of 5200 ft. to a line normal to said main track center line at Location Station	76

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION
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6400; Thence the strip of land is 150 ft., more or less, in width, lying between a line parallel with and 50 ft. northeasterly from said main track center line and a line parallel with and 50 ft. northeasterly from the center line of the main track of the RS&P Ry. Co. (as formerly located and constructed), and continuing southeasterly across said Surveys 18 and 17 a distance of 5413 ft., more or less, to the east line of said Survey 17; thence the strip of land is 125 ft., more or less, in width; lying between a line parallel with and 50 ft. northeasterly from said P&SF main track center line and a line parallel with and 75 ft. northeasterly from RS&P main track center line, and continuing southeasterly across said Survey 178 line, and continuing southeasterly across said Survey 178 a distance of 1143 ft. (measured along said P&SF main track center line) to a perpendicular to said P&SF main track center line at Location Station 6334 plus 44 ft.; thence the strip of land is of varying width lying between a line parallel with and 50 ft. northeasterly from said P&SF main track center line and a line parallel with and 50 ft. northeasterly from said RS&P main track center line, and continuing southeasterly a distance of 3724 ft., more or less, to the south line of said Survey 178.

The foregoing described strip or tract of land contains an area of 60.11 acres, more or less.

Also a strip of land in said Survey 178, covered by License P&SF Secretary's No. 7297, dated Oct. 16, 1934, to Scurry County for a public road and described as follows:

A strip of land 100 ft. in width and 1310 ft., more or less, in length (measured along the center line of said strip of land), lying between lines parallel with and 50 ft. and 150 ft., respectively, northeasterly from, measured at right angles to, said P&SF main track center line, extending from the west line of said Survey 178 in a southeasterly direction to a perpendicular to said P&SF main track center line at Location Station 6334, plus 44 ft., and containing an area of 3.01 acres, more or less. The center line of the main track of said P&SF Ry. Co. is described as follows: Beginning at a point in the N line of said Survey 338, distant 1715 ft. W of the NE corner thereof; thence (assuming for the purpose of this description that said N line has a bearing of due E) S 28 deg. 50 min. E, a distance of 815.2 ft. to a point of curve; thence on a curve to the left with a radius of 5729.65 ft., a distance of 897 ft. to a point of tangency; thence S 37 deg. 47 min. E, a distance of 8539.6 ft. to a point of curve; thence on a curve to the right with a radius of 11459.19 ft., a distance of 1186.7 ft. to a point of tangency; thence S 31 deg. 51 min. E, a distance of 7006.6 ft. to a point of curve; thence on a curve to the right with a radius of 5729.65 ft., a distance of 648.3 ft. to a point of tangency; thence S 25 deg. 22 min. E, a distance of 2431.3 ft., more or less, to a point in the S line of said Survey 178, distant 2220 ft. E of the SW corner thereof.

The total area of the above described strips or tracts of land is 63.12 acres, more or less.

RYAN OIL COMPANY

Lease Operator

S. H. Musgrove, et ux	J. R. Hunter	2-15-49	48	210	E. G. Burke, Sr.— 1/2 of 7/8 WI Ryan Oil Company— 1/2 of 7/8 WI
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Tract 15 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, said tract being 5.6 acres out of original J. P. Smith Survey No. 20, and 158.3 acres out of original Survey No. 19, J. P. Smith Survey.

SEABOARD OIL COMPANY OF DELAWARE

Lease Operator

Raymond C. Lunsford, et ux	Ed R. McCollum	12-7-48	45	391	All 7/8 WI
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SW 1/4 of Sec. 19, Blk. 1, J. P. Smith Survey.

H. J. SHIPLEY, ET AL

Lease Operator

Ida Maxwell, et al	Magnolia Pet. Co.	6-16-44	26	78	H. J. Shipley— 1/30 of 7/8 of 7/8 WI Giles W. Bowers— 81/200 of 7/8 of 7/8 WI Carter & Mandel Co.— 1/15 of 7/8 of 7/8 WI J. D. Leftwich— 81/200 of 7/8 of 7/8 WI Chas. E. Maedgen, Jr.— 18/200 of 7/8 of 7/8 WI
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NE 1/4 of NE 1/4 of Sec. 191, Blk. 97, H&TC RR. Co. Survey

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRAC
SKELLY OIL COMPANY						
<i>Lease Operator</i>						
Eula Townsend, et al	N. R. Brasted	4-10-47	31 615	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	106
T. L. Woodson, et ux	R. M. McCallion, et al	6-2-45	26 525	All $\frac{7}{8}$ WI	E 120 acres out of N 240 acres of Sec. 255, Blk. 97, H&TC RR. Co. Survey.	163
K. S. Head, et al	C. W. Guthrie	7-20-48	44 59	Skelly Oil Co.— 160/180 of $\frac{7}{8}$ WI R. J. Caraway— 9/180 of $\frac{7}{8}$ WI Homer D. Key— 1/180 of $\frac{7}{8}$ WI Lone Star Prod. Co.— 10/180 of $\frac{7}{8}$ WI	E $\frac{1}{2}$ of E $\frac{1}{2}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 290, Blk. 97, H&TC RR. Co. Survey.	160
W. H. Pairish, et al	Skelly Oil Co.	4-8-46	30 87	Skelly Oil Co.— $\frac{5}{8}$ of $\frac{7}{8}$ WI Saltmount Oil Co.— $\frac{3}{8}$ of $\frac{7}{8}$ WI	SW $\frac{1}{4}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 385, Blk. 97, H&TC RR. Co. Survey.	33
Mary E. Fesmire, et al	C. W. Guthrie	7-28-44	26 130	All $\frac{7}{8}$ WI	E 140 acres of W 280 acres of Sec. 252, Blk. 97, H&TC RR. Co. Survey.	172
E. U. Bullard, et ux	W. D. Casebolt	3-30-46	29 395	All $\frac{7}{8}$ WI	W 39.10 acres of SE $\frac{1}{4}$ of Sec. 250, Blk. 97, H&TC RR. Co. Survey.	209
Jake W. Smith, et ux	W. D. Casebolt	3-29-46	29 393	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 15, Blk. 1, J. P. Smith Survey.	199
Hugh Birdwell, et ux	James Fitzgerald, Jr.	4-8-46	28 561	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 177, Blk. 97, H&TC RR. Co. Survey.	343
W. D. Harral, et ux	W. D. Casebolt	3-29-46	29 391	All $\frac{7}{8}$ WI	S $\frac{1}{2}$ of SW $\frac{1}{4}$ and NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 250, Blk. 97, H&TC RR. Co. Survey.	212
SLICK-MOORMAN OIL COMPANY						
<i>Lease Operator</i>						
Nannie L. Harrell	Castleman & O'Neill	11-4-48	44 251	All $\frac{7}{8}$ WI	Being out of Tracts 38, 39 and 40, of the Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, in the Kirkland & Fields and the J. P. Smith Surveys, Scurry County, Texas, more fully described as follows: Beginning at the NW corner of said Tract 38, thence S 1° 05' W, 4161.1 ft. to the SW corner of said Tract 38; Thence E along the S BL of said Tract 38, 1330.1 ft. to a point for corner; Thence N 1° 05' E, 1395.0 ft. to a point for corner; Thence E 1745.9 ft. to a point for corner; Thence N 45.0 ft. to a point for corner; Thence E 1210.0 ft. to a point in the E BL of Tract 40; Thence N 1230.3 ft. to the NE corner of said Tract 40; Thence 70° 30' W along the N BL of said Tracts 40, 39, and 38, 4463.6 ft. to the place of beginning, containing 240.00 acres.	206
Nolan C. von Roeder, et ux	James D. Erwin	6-6-49	56 329	All $\frac{7}{8}$ WI	E 120 acres of SE $\frac{1}{4}$ of Sec. 250, Blk. 97, H&TC RR. Co. Survey, containing 120 acres more or less.	208
SOUTHERN PRODUCTION COMPANY						
<i>Lease Operator</i>						
Edgar Wilson, et al	W. H. Strong	7-8-44	26 104 80 431	All $\frac{7}{8}$ WI	107.70 acres out of NE portion of Sec. 14, Blk. 1, J. P. Smith Survey.	190
L. N. Periman, et ux	W. H. Strong	8-3-44	26 108	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 394, Blk. 97, H&TC RR. Co. Survey.	25
STANDARD OIL COMPANY OF TEXAS						
<i>Lease Operator</i>						
B. H. Grube	Std. Oil Co. of Texas	4-30-48	38 49	All $\frac{7}{8}$ WI	1/16 Mineral Interest in S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 495, Blk. 97, H&TC RR. Co. Survey.	4
L. B. Johnson and R. Murray Johnson	Std. Oil Co. of Texas	5-18-48	38 429	All $\frac{7}{8}$ WI	1/16 Mineral Interest in S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 495 1/12 Mineral Interest in E $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$ and S $\frac{1}{2}$ of Sec. 496, 1/12 Mineral Interest in N $\frac{1}{2}$ and S $\frac{1}{2}$ of Sec. 450, 1/48 Mineral Interest in N $\frac{1}{2}$ and S $\frac{1}{2}$ of Sec. 449, All in Blk. 97, H&TC RR. Co. Survey.	4 2 3 8 & 9 10 & 11
M. D. Bryant	Std. Oil Co. of Texas	6-7-48	39 65	All $\frac{7}{8}$ WI	$\frac{1}{8}$ Mineral Interest in S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 495, Blk. 97, H&TC RR. Co. Survey.	4
Spencer Cantrill	Std. Oil Co. of Texas	4-29-48	39 45	All $\frac{7}{8}$ WI	1/16 Mineral Interest in S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 495 1/48 Mineral Interest in N $\frac{1}{2}$ and S $\frac{1}{2}$ of Sec. 449, all in Blk. 97, H&TC RR. Co. Survey.	4 10 & 11

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Exhibit "E" Page 20

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT
L. N. Periman, et ux	Standard Oil Co. of Texas	4-29-48	38 5	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 395; and all NW $\frac{1}{4}$ of Sec. 394, Blk. 97, H&TC RR. Co. Survey.	22 24
W. R. Bell, et ux	J. D. Thompkins	8-31-48	41 255	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 395, Blk. 97, H&TC RR. Co. Survey	23
Jap Beck, et ux	W. D. Casebolt	4-8-46	30 185	All $\frac{7}{8}$ WI	S $\frac{1}{2}$ of Sec. 393, Blk. 97, H&TC RR. Co. Survey.	28
Mrs. Jessie Brown, et al.	Standard Oil Co. of Texas	1-26-48	38 35	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in NW $\frac{1}{2}$ of Sec. 392, Blk. 97, H&TC RR. Co. Survey.	29
Lucie E. Harrell, et al.	Standard Oil Co. of Texas	12-10-47	44 7	All $\frac{7}{8}$ WI	$\frac{1}{4}$ Mineral Interest in NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 391, Blk. 97, H&TC RR. Co. Survey.	31
C. C. Walker and Logan Stevenson	Standard Oil Co. of Texas	2-12-48	37 115	All $\frac{7}{8}$ WI	$\frac{1}{32}$ Mineral Interest in NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 391, Blk. 97, H&TC RR. Co. Survey.	31
Creed Taylor Huddles- ton, Jr., et al.	Standard Oil Co. of Texas	2-12-48	37 165	All $\frac{7}{8}$ WI	$\frac{7}{32}$ Mineral Interest in NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 391, Blk. 97, H&TC RR. Co. Survey.	31
W. R. Bell, et ux	Imperial Agency Corp.	7-21-48	46 317	All $\frac{7}{8}$ WI	$\frac{3}{4}$ Mineral Interest in NE $\frac{1}{4}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	42
W. R. Bell, et ux	Imperial Agency Corp.	7-21-48	46 317	All $\frac{7}{8}$ WI	36 ac. in SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	43
The Alliance Trust Company, Ltd.	Imperial Agency Corp.	8-2-48	46 377	Std. Oil Co. of Texas— $\frac{5}{8}$ of $\frac{7}{8}$ WI P. R. Rutherford— $\frac{3}{8}$ of $\frac{7}{8}$ WI (Under separate lease)	$\frac{1}{4}$ Mineral Interest in E $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	41
The Alliance Trust Company, Ltd.	Imperial Agency Corp.	8-2-48	46 377	All $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of SE $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	42
Snyder Consolidated Ind. School District	Standard Oil Co. of Texas	4-2-49	56 55	All $\frac{7}{8}$ WI	4 ac. out of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	43
Panhandle & Santa Fe Ry. Co.	Standard Oil Co. of Texas	4-19-49	58 43	All $\frac{7}{8}$ WI	All that certain strip or tract of land situated in Surveys 381, 382 and 339, Blk. 97, H&TC RR. Co., near the station of Brand, Scurry County, Texas, and more particularly described as follows: A strip of land 150 ft. in width, lying 75 ft. on each side of the hereinafter described center line of the main track of P&SF Ry. Co., as now located and constructed, and extending from the North line of said Survey 381 in a Southeastly direction a distance of 3467 ft. to a perpendicular to said main track center line at Railway Engineer's Profile Station, 6600; thence a strip of land 100 ft. in width, lying 50 ft. on each side of said main track center line, and continuing southeasterly across said Surveys 381 and 382 a distance of 2200 feet to a perpendicular to said main track center line at Engineer's Station 6578; thence a strip of land 200 ft. in width, lying 100 ft. on each side of said main track center line, and continuing southeasterly across said Surveys 382 and 339 a distance of 2200 ft. to a perpendicular to said main track center line at Engineer's Station 6556; thence a strip of land 150 ft. in width, lying 75 ft. on each side of said main track center line, and continuing southeasterly a distance of 1400 feet to a perpendicular to said main track center line at Engineer's Station 6542; thence a strip of land 200 ft. in width, lying 100 ft. on each side of said main track center line, and continuing southeasterly a distance of 1350 ft. to a perpendicular to said main track center line at Engineer's Station 6528 plus 50 ft.; thence a strip of land 300 ft. in width, lying 100 ft. on the northeasterly side and 200 ft. on the southwesterly side of said main track center line, and continuing southeasterly a distance of 800 ft. to a perpendicular to said main track center line at Engineer's Station 6520 plus 50 ft.; thence a strip of land 200 ft. in width, lying 100 ft. on each side of said main track center line, and continuing southeasterly a distance of 813 ft. more or less, to the south line of said Survey 339.	47

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO TRAC
W. R. Bell, et ux	Imperial Agency Corp.	7-21-48	46 315	Std. Oil Co. of Texas— 3/8 of 7/8 WI P. R. Rutherford— 3/8 of 7/8 WI (Under separate lease)	1/4 Mineral Interest in E1/2 of NE1/4 and SW1/4 of NE1/4 of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	41
John E. Sentell	Imperial Agency Corp.	7-23-48	47 1	Std. Oil Co. of Texas— 5/8 of 7/8 WI P. R. Rutherford— 3/8 of 7/8 WI (Under separate lease)	1/8 Mineral Interest in E1/2 of NE1/4 and SW1/4 of NE1/4 of Sec. 382, Blk. 97, H&TC RR. Co. Survey.	41
Leland S. Herod, et ux	Imperial Agency Corp.	7-21-48	41 209	All of 7/8 WI	W1/2 of Sec. 383, Blk. 97, H&TC RR. Co. Survey.	4
S. L. Terry, et al.	Standard Oil Co. of Texas	5-4-48	39 471	All of 7/8 WI	1ST TRACT: The NE1/4 of Sec. 383, containing 162.975 acres of land. 2ND TRACT: A tract of land consisting of 230 acres of land out of the North side of Sec. 384 and described as follows: Beginning at a stone set in center of lane, the NW corner of Sec. 385, Blk. 97; thence S 676 vrs to a point in center of lane and in W line of said Sec. 385 fr wh a stone set under fence brs. W 30 ft.; thence W 1920 vrs to a stone set in E line Sec. 383, Blk. 97, thence N 675 vrs to a stone set in the NE corner of said Sec. 383; thence E 1920 vrs to the place of beginning, containing 230 acres of land, more or less, and containing in the aggregate 394 1/3 acres of land, more or less.	3 3 3
J. O. Dodson, et al.	Standard Oil Co. of Texas	5-7-48	38 215	All 7/8 WI	All of the middle portion of Sec. 384 according to the location of said Section by virtue of Certificate No. 43/5694 and particularly described as follows: Beginning at a stone set in East line of Sec. 383, Blk. 97, and in West line of said Sec. 384 at a point 618 vrs North of the Southeast corner of said Sec. 383 and Southwest corner of said Sec. 384; thence North 618 vrs to stone set in E line of said Sec. 383 and W line of said Sec. 384; thence E 1920 vrs to stake in center of lane, the W line of Sec. 385 of said Blk. 97 and the E line of said Sec. 384 fr wh a stone set under fence brs. W 30 ft.; thence S 618 vrs to stake in center of said lane, the W line of said Sec. 385 and E line of said Sec. 384; thence W 1920 vrs to place of beginning and containing 210 acres of land, more or less.	
J. O. Dodson, et al. (Dodson-House Unit)	Standard Oil Co. of Texas	5-7-48	38 215	Standard: 11/16 of 7/8 WI Tide Water: 5/16 of 7/8 WI	S 110 acres of middle 210 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey (belonging to Standard) and the N 50 acres of S 210.18 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey (belonging to Tide Water).	
Eulah Burt Keller, et vir	Standard Oil Co. of Texas	2-4-49	47 301	All 7/8 WI	E1/2 of SE1/4 and SW1/4 of SE1/4 of Sec. 340, Blk. 97, H&TC RR. Co. Survey.	
Tom C. Davis, et al.	Standard Oil Co. of Texas	12-13-48	45 313	All 7/8 WI	S1/2 and NE1/4 of NW1/4 of Sec. 339, and S1/2 of NW1/4 of Sec. 339, Blk. 97, H&TC RR. Co. Survey.	
Earl Rinehart	Paul F. Lawlis	9-2-48	51 467	All 7/8 WI	1/2 Mineral Interest in the following: Being the W part of Tract No. 7, Grimes Ranch Lands Survey made for the Dallas Trust and Savings Bank of Dallas, Texas, Tract No. 7, being part of the original survey No. 26 patented to J. P. Smith by Patent No. 417, Vol. 7, particularly described as follows: Beginning at the NW corner of original survey No. 21, J. P. Smith; Thence E 591.1 vrs to stake in SBL said tract No. 7, DT & SB Sub. Grimes Ranch Lands; Thence North 764 vrs to stake in NBL said Tract No. 7; Thence W 591.1 vrs to stake for the NE corner tract No. 8, said DT & SB Sub., Grimes Ranch Lands; Thence S 764 vrs to the place of beginning and containing 80 acres, more or less.	
Paul F. Lawlis, et ux	Standard Oil Co. of Texas	2-7-49	51 475	All 7/8 WI	1/2 Mineral Interest in the following: Being the W part of Tract No. 7, Grimes Ranch Lands Survey made for the Dallas Trust and Savings Bank of Dallas, Texas, Tract No. 7, being part of the original survey No. 26 patented to J. P. Smith by Patent No. 417, Vol. 7, particularly described as follows: Beginning at the NW corner of original survey No. 21, J. P. Smith; Thence East 591.1 vrs to stake in SBL said Tract No. 7, DT & SB Sub. Grimes Ranch Lands; Thence N 764 vrs to stake in NBL said Tract No. 7; Thence W 591.1 vrs to stake for the NE corner tract No. 8, said DT & SB Sub., Grimes Ranch Lands; Thence S 764 vrs to the place of beginning and containing 80 acres, more or less.	

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Exhibit "E" Page 22

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT
STANOLIND OIL & GAS COMPANY						
<i>Lease Operator</i>						
Milam C. Fowler, et ux	Stanolind Oil & Gas Co.	9-21-48	43 155	All $\frac{7}{8}$ WI	S 246 acres out of E $\frac{1}{2}$ of Sec. 298, Blk. 97, H&TC RR. Co. Survey.	109
H. A. Hegl, et ux	Stanolind Oil & Gas Co.	10-5-48	43 217	Tide Water Associated Oil Co.— $\frac{1}{4}$ of $\frac{7}{8}$ WI Stanolind Oil & Gas $\frac{3}{8}$ of $\frac{7}{8}$ WI Milner Oil Co.— $\frac{1}{4}$ of $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 299, Blk. 97, H&TC RR. Co. Survey.	103
L. J. Baggett, et ux	Stanolind Oil & Gas Co.	11-1-48	44 57	Stanolind Oil & Gas 305/322 of $\frac{7}{8}$ WI Maurice Brownfield 17/322 of $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 451, Blk. 97, H&TC RR. Co. Survey.	5
STAR OIL COMPANY						
<i>Lease Operator</i>						
Charlie McKinney and wife, et al.	H. G. Schiff		78 335	Martha Douglas Oil Co.— $\frac{3}{8}$ of 28/32 WI Donald Douglas Oil Co.— $\frac{3}{8}$ of 28/32 WI C. L. Lloyd— 2/8 of 28/32 WI	All that certain lot, tract or parcel of land in Scurry County, being a part of Sec. 14 of the land surveyed and patented in the name of J. P. Smith and described by metes and bounds as follows, to-wit: BEGINNING 448.8 vrs W of NW cor. of the 25 acre tract that J. J. Jarvis et al conveyed to J. W. Lowber on Nov. 3, 1890, said NW cor. of said 25 acre tract being 602 vrs N and 377 vrs W from the SW cor. of Sec. 180, Blk. 3, H&GN RR. Co. Survey in Scurry County, Texas, and said beginning point being the NE cor. of a certain tract of land heretofore conveyed by W. W. Rogers, et ux, to W. W. Rogers, Jr., as the same is shown by deed dated March 8, 1941; Thence S along the E boundary line of said W. W. Rogers, Jr. 2 acre tract a distance of 81 vrs for corner; Thence W along the S boundary line a distance of 11 vrs for corner, the same being the NE cor. of a certain 5.1 acre tract of land owned by Joe Evans; Thence S along Evans' E boundary line a distance of 218 vrs to point in the N line of the Snyder-Gail Public Road for the SW cor. of this tract; Thence 70 $\frac{1}{2}$ " E, 100 vrs; Thence N parallel with the W boundary line of this tract a distance of 330 vrs to NE cor. of this tract; Thence W a distance of 90 vrs to place of beginning, containing 5.78 acres.	195
William B. Church, et ux	W. L. Todd, Jr.		57 323	Gladys Kirk Lloyd— $\frac{3}{4}$ WI; Gertrude Powell— 1/96 WI; Martha C. Douglas Oil Co.—1/48 WI; John H. MacDonald— 1/96 WI; Joseph C. Belden, Jr.—1/96 WI; Wm. M. Tittle & Mary S. Tittle, Trustees— 1/96 WI; L. Frank Pitts— 3/16 WI	1.34 acres of land located in the NW cor. of Tract 18 of Grimes Ranch Lands; Survey 40, Kirkland & Fields, described as follows: BEGINNING at NW cor. of Tract 18; Thence E a distance of 55 yds.; Thence S a distance of 132 yds. to the N line of P&SF RR. Co. right of way; Thence in a NW direction with said E line of said right of way a distance of about 82 yds. to the W line of said Tract 18; Thence E along line of Tract 18 to place of beginning.	80
W. C. Shook	T. L. Martin		38 411	Walter R. Beardsley .0625000 WI Joseph C. Belden, Jr. .0072700 WI Bredshall Oil Co. .0052083 WI Donald Douglas Oil Co. .0581597 WI Ernest Oil Co. .0208333 WI Bruce M. Jeffris .0250000 WI Gladys Kirk Lloyd .5234375 WI John H. MacDonald .0072700 WI Edwin T. Maynard .0833333 WI Daniel S. Parker .0125000 WI Kenneth Parker .0500000 WI Martha C. Parker .0375000 WI A. B. Powell .0072700 WI Smithers Oil Co. .0052083 WI Tittle Oil Co. .0072700 WI Pitts Oil Co. .0872396 WI	NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 250, Blk. 97, H&TC RR. Co. Survey.	211

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	N TRA
J. B. York, et ux	Hiawatha Oil & Gas Company		64 96	Conley Oil Co. .0156250 WI Dorman Oil Co. .0390625 WI C. L. Lloyd, Tr. .3750000 WI Monroe Oil Co. .3906250 WI Twin Oil Co. .0312500 WI R. E. Barbre .1250000 WI Sue Barbre .0625000 WI Standard-Fryer .1875000 WI Ted Weiner .1250000	SW1/4 of NW1/4 of Sec. 180, Blk. 3, H&GN RR. Co. Survey.	19
J. B. York, et ux	Hiawatha Oil & Gas Company		64 96	Daniel L. Brenner .0437500 WI Martha Douglas Oil Co. .2500000 WI Feingold Oil Co. .0437500 WI Karosen Oil Co. .0875000 WI Clarence Kivett .0312500 WI Wimberly Oil Co. .0437500 WI R. E. Barbre .1250000 WI Sue B. Barbre .0625000 WI Standard-Fryer Drlg. Co. .1875000 WI Ted Weiner .1250000 WI	NW1/4 of NW1/4 of Sec. 180, Blk. 3, H&GN RR. Co. Survey	1
James A. Clark, et ux	Hiawatha Oil & Gas Company		64 93	Conley Oil Co. .0156250 WI C. L. Lloyd, Tr. .3750000 WI Addie Mae Pitts .0390625 WI Laura McCann Price .0390625 WI Twin Oil Co. .0312500 WI Standard Fryer Drlg. Co. .2500000 WI R. E. Barbre .1875000 WI Sue B. Barbre .0625000 WI	W 40 acres of S 80 acres of SW1/4 of Sec. 179, Blk. 3, H&GN RR. Co. Survey.	1
Lillian E. Stulting, et vir.	C. L. Lloyd		62 187	C. L. Lloyd .3437500 WI L. Frank Pitts .0937500 WI Daniel L. Brenner .0109375 WI Donald Douglas Oil Co. .1250000 WI Martha Douglas Oil Co. .1250000 WI Feingold Oil Co. .0109375 WI Karosen Oil Co. .0218750 WI Clarence Kivett .0078125 WI Edwin T. Maynard .2500000 WI Wimberly Oil Co. .0109375 WI	SE 100 acres of the SE part of Sec. 177, Blk. 3, H&GN RR. Co. Survey, as follows: Beginning at a set stone in the NE corner of Sec. 178, Blk. 3, and the SE corner of Sec. 177, Blk. 3, H&GN RR. Co. Survey; thence N along the E line of Sec. 177, 593 vrs to stake for the NE corner of this 100 acre tract; thence W 950 vrs to stake for the NW corner of this tract; thence S 593 vrs to stake in the S line of said Sec. 177, for the SW corner of this tract; thence E 950 vrs along the S line of said Sec. 177 to the place of beginning.	1

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRACT
STROUBE-MARCUS et al <i>Lease Operator</i>						
Edward Marcus, et al	Magnolia Pet. Co.	3-3-50	87 301	V. O. Blackstone .025 of $\frac{7}{8}$ WI Annie Lou Hawkins .025 of $\frac{7}{8}$ WI C. O. Lansford .050 of $\frac{7}{8}$ WI Lawrence E. Marcus .050 of $\frac{7}{8}$ WI Edward Marcus .350 of $\frac{7}{8}$ WI H. Stanley Marcus .050 of $\frac{7}{8}$ WI Herbert Marcus, Jr. .050 of $\frac{7}{8}$ WI Frank B. McNally .050 of $\frac{7}{8}$ WI H. R. Stroube .025 of $\frac{7}{8}$ WI W. C. Stroube .025 of $\frac{7}{8}$ WI H. R. Stroube, Jr. .100 of $\frac{7}{8}$ WI Jack A. Stroube .100 of $\frac{7}{8}$ WI Joe E. Stroube .100 of $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 297, Blk. 97, H&TC RR. Co. Survey.	114
SUN OIL COMPANY <i>Lease Operator</i>						
H. J. Brice, et ux	Joseph I. O'Neill	8-20-48	42 117	All $\frac{7}{8}$ WI	S $\frac{1}{2}$ of Sec. 392; N $\frac{1}{2}$ of Sec. 385; Blk. 97, H&TC RR. Co. Survey.	30 & 32
G. H. Arledge, et ux	Sun Oil Company	3-31-44	25 217	Sun 4049.65/5659.80 of $\frac{7}{8}$ WI Humble 1610.15/5659.80 of $\frac{7}{8}$ WI	N $\frac{1}{2}$ of NW $\frac{1}{4}$ and SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 192; S $\frac{1}{2}$ of Sec. 194, except 43.61 acres in SE cor.; NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 185; NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 192; all in Blk. 97, H&TC RR. Co. Survey.	298 325 326 297
J. W. Arledge, et ux	Sun Oil Company	6-30-44	25 499	Sun 4049.65/5659.80 of $\frac{7}{8}$ WI Humble 1610.15/5659.80 of $\frac{7}{8}$ WI	N $\frac{1}{2}$ of NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 192, Blk. 97, H&TC RR. Co. Survey.	296
Elza C. Rollins, et ux	Humble Oil & Refg. Company	11-21-47	35 219	Sun 4049.65/5659.80 of $\frac{7}{8}$ WI Humble 1610.15/5659.80 of $\frac{7}{8}$ WI Sun 4049.65/5659.80 of $\frac{7}{8}$ WI	W 80 acres of E 217.28 acres of N 433.86 acres, and N 40 acres of E 137.28 acres of N 433.86 acres of Sec. 193, Blk. 97, H&TC RR. Co. Survey.	302
Elza C. Rollins, et ux	Sun Oil Company	1-26-42	23 269	Humble 1610.15/5659.80 of $\frac{7}{8}$ WI Sun 4049.65/5659.80 of $\frac{7}{8}$ WI		
R. S. Brennand, Jr.	Sun Oil Company	2-11-42	23 291	Humble 1610.15/5659.80 of $\frac{7}{8}$ WI		
W. B. Fenton, et ux	O. B. Price	2-5-44	25 87	Sun 4049.65/5659.80 of $\frac{7}{8}$ WI Humble 1610.15/5659.80 of $\frac{7}{8}$ WI	E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 194, Blk. 97, H&TC RR. Co. Survey.	324
Lulu W. Dulaney	Humble Oil & Refg. Company	11-25-47	35 257	Sun 4049.65/5659.80 of $\frac{7}{8}$ WI Humble 1610.15/5659.80 of $\frac{7}{8}$ WI	$\frac{1}{3}$ Mineral Interest in NW $\frac{1}{4}$ and W $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 194, Blk. 97, H&TC RR. Co. Survey.	323
W. B. Fenton, et ux	O. B. Price	2-5-44	25 84	Sun 4049.65/5659.80 of $\frac{7}{8}$ WI Humble 1610.15/5659.80 of $\frac{7}{8}$ WI	$\frac{2}{3}$ Mineral Interest in NW $\frac{1}{4}$ and W $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 194, Blk. 97, H&TC RR. Co. Survey.	323
C. A. Ramsey, et ux	Sun Oil Company	4-17-44	25 148	All $\frac{7}{8}$ WI	$\frac{31}{32}$ Mineral Interest in SE $\frac{1}{4}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.	322
J. A. Bufkin, et ux	Sun Oil Company	11-26-47	35 289	All $\frac{7}{8}$ WI	$\frac{1}{32}$ Mineral Interest in SE $\frac{1}{4}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.	322
Henry Rosenberg, et al	Sun Oil Company	1-26-42	23 302	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of Sec. 195, Blk. 97, H&TC RR. Co. Survey.	320
J. T. Anderson, et ux	Sun Oil Company	6-20-44	25 394	All $\frac{7}{8}$ WI	$\frac{7}{8}$ Mineral Interest in NE $\frac{1}{4}$ of Sec. 201, Blk. 97, H&TC RR. Co. Survey.	306
Fred S. Dibble	Sun Oil Company	8-2-44	26 133	All $\frac{7}{8}$ WI	$\frac{1}{8}$ Mineral Interest in NE $\frac{1}{4}$ of Sec. 201, Blk. 97, H&TC RR. Co. Survey.	306
H. H. Eiland, et ux	Sun Oil Company	4-18-44	26 40	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in S $\frac{1}{2}$ of Sec. 202, Blk. 97, H&TC RR. Co. Survey.	305

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	N TRA
J. W. Voss, et ux	Sun Oil Company	4-17-44	25 153	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in All of Sec. 203, Blk. 97, H&TC RR. Co. Survey.	3
Marvin M. O'Brien	Sun Oil Company	6-12-44	26 137	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in All of Sec. 203, Blk. 97, H&TC RR. Co. Survey.	3
G. W. Byrum	Sun Oil Company	7-17-44	25 416	All $\frac{7}{8}$ WI	$\frac{1}{2}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 204, Blk. 97, H&TC RR. Co. Survey.	3
Mrs. Mae Lemons	Sun Oil Company	6-20-44	26 84	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 204; and, SW $\frac{1}{4}$ of Sec. 205; and S 40 acres of NW $\frac{1}{4}$ of Sec. 205, Blk. 97, H&TC RR. Co. Survey.	3 2 2
Fred S. Wright, et al	Sun Oil Company	6-26-46	29 516	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in S 38.16 acres of NW $\frac{1}{4}$ of Sec. 205; and, S $\frac{1}{2}$ of Sec. 202, Blk. 97, H&TC RR. Co. Survey.	2 3
Foster Petroleum Corporation	Sun Oil Company	6-26-46	29 522	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in N $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 204, and, SW $\frac{1}{4}$ of Sec. 205; and 289/642 Mineral Interest in S $\frac{1}{2}$ of Sec. 202, Blk. 97, H&TC RR. Co. Survey.	3 2 3
R. J. Randals, et ux	J. W. Berry	2-29-44	25 14	Sun: $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard: $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in SE $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey.	2
R. J. Randals, et ux	J. W. Berry	3-1-44	25 20	Sun: $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard: $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in NW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey, except 4 acres out of NW corner thereof.	2
R. J. Randals, et ux	Sun Oil Company	6-28-48	40 209	Sun: $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard: $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 244, Blk. 97, H&TC RR. Co. Survey.	2

SUNRAY OIL CORPORATION

Lease Operator

A. L. Wren, et ux	Barnsdall Oil Co.	7-20-48	42 453	Sunray Oil Corp.— All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in: Tracts 9 and 10 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	
Great Nat'l Life Insurance Company	Barnsdall Oil Co.	4-20-49	52 271	Sunray Oil Corp.— 13/16 WI	$\frac{1}{2}$ Mineral Interest in: Tracts 9 and 10 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	
Guy Stoker, et ux	Barnsdall Oil Co.	7-20-48	41 123	All $\frac{7}{8}$ WI	Tract 23 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	
P. W. Cloud, et ux	Sunray Oil Corp.	6-18-49	64 53	Sunray Oil Corp.— 105/128 WI	N $\frac{1}{2}$ of Sec. 159, Blk. 3, H&GN RR. Co. Survey.	
P. J. Collins, et ux	Barnsdall Oil Co.	7-30-48	41 279	All $\frac{7}{8}$ WI	Tract 17 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	
A. E. Dennis, et al	D. F. Lillis	7-2-48	41 45	Sunray Oil Corp.— $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard Oil Co.— $\frac{1}{2}$ of $\frac{7}{8}$ WI	W $\frac{1}{2}$ of Sec. 337, Blk. 97, H&TC RR. Co. Survey.	
J. M. Newton, et ux	G. R. Kribbs	2-17-49	49 171	All $\frac{7}{8}$ WI	TRACT A: SW $\frac{1}{4}$ of Sec. 160, Blk. 3, H&GN RR. Co. Survey. TRACT B: W 80 acres of N 240 acres of Sec. 177, Blk. 3, H&GN RR. Co. Survey.	
H. J. Schultz, et ux	D. F. Lillis	7-21-48	41 379	Sunray Oil Corp.— $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{3}{4}$ Mineral Interest in: NW $\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.	
Great Southern Life Insurance Company	D. F. Lillis	7-21-48	43 5	Seaboard Oil Co.— $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{1}{4}$ Mineral Interest in: NW $\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.	
E. H. Williamson, et ux	Barnsdall Oil Co.	7-2-45	26 639	All $\frac{7}{8}$ WI	E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey.	
E. H. Williamson, et ux	Barnsdall Oil Co.	7-2-45	26 637	All $\frac{7}{8}$ WI	W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 246, Blk. 97, H&TC RR. Co. Survey.	
Lois Sears Sentell, et vir	Imperial Agency Corp.	8-26-48	41 435	All $\frac{7}{8}$ WI	S 160 acres of Tract 2 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, except NE $\frac{1}{4}$	
L. A. Hill, et ux	B. F. Lillis	7-7-48	41 413	Sunray Oil Corp.— $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard Oil Co.— $\frac{1}{2}$ of $\frac{7}{8}$ WI	NE $\frac{1}{4}$ of Sec. 339, Blk. 97, H&TC RR. Co. Survey.	
O. C. Rinehart, et ux	Barnsdall Oil Co.	7-20-48	41 277	All $\frac{7}{8}$ WI	E 85.5 acres out of Tract 7 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	
R. B. Brown, et ux	J. R. Hunter	2-11-49	48 33	Sunray Oil Corp.— $\frac{1}{4}$ of $\frac{7}{8}$ WI Ryan, Hays & Burke— $\frac{1}{2}$ of $\frac{7}{8}$ WI Phil Regan— 1/50 of $\frac{7}{8}$ WI Ed. J. Barrett— 1/64 of $\frac{7}{8}$ WI A. L. Koollish— 308.7/3200 of $\frac{7}{8}$ WI Ralph Stolkin— 308.7/3200 of $\frac{7}{8}$ WI Gilbert Goodman— 68.6/3200 of $\frac{7}{8}$ WI	244.32 acres in Sec. 21, Blk. 1, J. P. Smith Survey lying W of Clairmont Road, and Tract 13 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands. Tract 8 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRAC
Stuart Womack, et ux	J. R. Hunter	4-20-49	54 23	All $\frac{7}{8}$ WI	136.70 acres being all of Tract 6 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	61
Charles S. Hardy, et ux	D. F. Lillis	7-3-48	41 43	Sunray Oil Corp.— $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard Oil Co.— $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in NW $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey; and All interest in NE $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	115 117
R. T. Carroll, et al	D. F. Lillis	7-3-48	41 49	Sunray Oil Corp.— $\frac{1}{2}$ of $\frac{7}{8}$ WI Seaboard Oil Co.— $\frac{1}{2}$ of $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in NW $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	115
Luella Stoker, et vir	Barnsdall Oil Co.	5-11-49	56 215	All $\frac{7}{8}$ WI	A part of Sec. 40, Kirkland and Fields Survey, being a tract of land occupied by the RS&P RR. Co. as right of way prior to the abandonment thereof, and described as: BEGINNING at the intersection of the CL of said Ry. main track and the WBL of said Sec. 40, Kirkland and Fields, and 295.2 vrs N from a stone set for the SE cor. of Sec. 338, Blk. 97, H&TC RR. Co. Survey; Thence S 47 deg. 13 min. E including a strip of land 100 ft. in width, being 50 ft. on each side of said CL a distance of 1606 ft. of said CL of said Highway 7 where the Highway crossed said RR Right of way to the intersection of said Ry right of way, and containing 3.79 acres of land.	83

THE TEXAS COMPANY

Lease Operator

Charles S. Stewart, et al	James G. White	6-26-45	27 613	All $\frac{7}{8}$ WI	SW $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey.	241
Ollie Holt, et al	O. B. Price	2-25-44	25 126	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of Sec. 213, Blk. 97, H&TC RR. Co. Survey.	251
M. A. Boyd	James G. White	7-22-45	26 607	All $\frac{7}{8}$ WI	N $\frac{1}{2}$ of S $\frac{1}{2}$ of Sec. 213, Blk. 97, H&TC RR. Co. Survey.	252
R. J. Randals, et ux	James G. White	7-21-45	28 33	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 244, Blk. 97, and NW $\frac{1}{4}$ of Sec. 245, Blk. 97, H&TC RR. Co. Survey, except 5 acres out of NE corner thereof.	244: 24 245: 24
Mrs. Mae Lemons	J. M. White	6-26-45	27 505	Texas Co. $\frac{3}{4}$ of $\frac{7}{8}$ WI Foster Pet. Corp. $\frac{1}{4}$ of $\frac{7}{8}$ WI	N $\frac{1}{2}$ of Sec. 204, Blk. 97, H&TC RR. Co. Survey.	299
Foster Pet. Corp.	The Texas Co.	11-7-49	74 439	Texas Co. $\frac{3}{4}$ of $\frac{7}{8}$ WI Foster Pet. Corp. $\frac{1}{4}$ of $\frac{7}{8}$ WI		
Forest G. Sears, et ux	John Odstrail	5-20-47	33 313	All $\frac{7}{8}$ WI	W $\frac{1}{2}$ of NW $\frac{1}{4}$ and NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 120, Blk. 3, H&GN RR. Co. Survey.	66
F. L. Fuller, et al	The Texas Co.	11-18-48	50 239	All $\frac{7}{8}$ WI	W $\frac{1}{2}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 497, Blk. 97, H&TC RR. Co. Survey.	1

TIDE WATER ASSOCIATED OIL COMPANY

Lease Operator

Maude Johnston, a widow	J. H. Herd	3-28-46	29 270	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 250, Blk. 97, H&TC RR. Co. Survey.	210
Forest G. Sears, et ux	J. W. Scott	3-27-46	30 3 & 4	All $\frac{7}{8}$ WI	Tracts 1 and 5 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	65
Raymond H. House, et ux	J. H. Herd	3-29-46	29 492	All $\frac{7}{8}$ WI	S 160 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey.	37
Raymond H. House, et ux (Dodson-House Unit)	J. H. Herd	3-29-46	29 492	Standard: 11/16 of $\frac{7}{8}$ WI Tide Water: 5/16 of $\frac{7}{8}$ WI	S 110 acres of middle 210 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey (belonging to Standard) and the N 50 acres of S 210.18 acres of Sec. 384, Blk. 97, H&TC RR. Co. Survey (belonging to Tide Water).	36
W. A. Gill, et ux	J. W. Scott	5-4-45	26 541	All $\frac{7}{8}$ WI	NW $\frac{1}{4}$ of Sec. 214, Blk. 97, H&TC RR. Co. Survey.	246
R. J. Richburg	John J. Redfern, Jr.	4-4-46	29 314	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in SW $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	116
Mabry Securities Co.	John J. Redfern, Jr.	8-1-46	31 253	All $\frac{7}{8}$ WI	$\frac{1}{2}$ Mineral Interest in SW $\frac{1}{4}$ of Sec. 296, Blk. 97, H&TC RR. Co. Survey.	116
Schearod Edmon McCowen, et ux	C. T. McLaughlin	12-14-48	45 151	All $\frac{7}{8}$ WI	S 69.65 acres of Tract 33 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, Kirkland & Fields Surveys.	205
J. W. Jacobs, et ux	J. W. Scott	12-24-45	28 199	All $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 251, Blk. 97, H&TC RR. Co. Survey.	177
Guy Stoker, et ux	Fred J. Hill	2-8-49	49 101	All $\frac{7}{8}$ WI	Tracts 27 and 28 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	138
Alma W. Buchanan, et al	C. T. McLaughlin	4-18-46	29 381	All $\frac{7}{8}$ WI	Tract 32 and N 50 acres of Tract 33 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.	204

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION
Edwin S. Wilkison, et al	Standard-Fryer Drig. Co.	7-22-49	59 357	Tide Water Assoc. 15/16 of $\frac{5}{8}$ WI W. E. Howard 1/32 of $\frac{5}{8}$ WI Wm. S. Dodson 1/32 of $\frac{5}{8}$ WI	S $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 17, Blk. 1, J. P. Smith Survey.
M. A. Carden	R. H. Cantrill	10-21-42	23 501	Tide Water Assoc. $\frac{1}{2}$ of $\frac{7}{8}$ WI Milner Oil Co. $\frac{1}{2}$ of $\frac{7}{8}$ WI	S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 293, Blk. 97, H&TC RR. Co. Survey.
G. R. Kribbs	R. R. Herrell	7-9-48	39 321		
C. H. Langford	Robert K. Gilbert	2-3-49	47 357		
E. E. Spears	Robert K. Gilbert	2-9-49	47 355	Tide Water Assoc. $\frac{1}{2}$ of $\frac{7}{8}$ WI Milner Oil Co. $\frac{1}{2}$ of $\frac{7}{8}$ WI	E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey and W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 338, Blk. 97, H&TC RR. Co. Survey.
J. Ralph Stewart	Robert K. Gilbert	2-3-49	47 353		
R. R. Herrell	Robert K. Gilbert	2-11-49	47 359		
E. S. Wilkison, et al	L. S. Youngblood & R. L. Foree	4-11-49	52 121	All $\frac{7}{8}$ WI	Lot No. 19, a part of the S part of Sec. 40, Kirkland and Fields Survey.

R. H. VENABLE

Lease Operator

Forrest Jones, et ux	R. H. Venable	4-4-46	29 110	R. H. Venable— $\frac{3}{4}$ of $\frac{7}{8}$ WI D. H. Harrington— $\frac{1}{4}$ of $\frac{7}{8}$ WI	Tract 37 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands, said tract being a part of Sec. 14, Blk. 1, J. P. Smith Survey.
L. A. Hill, et ux	R. H. Venable	4-2-46	28 309	R. H. Venable— $\frac{3}{4}$ of $\frac{7}{8}$ WI D. H. Harrington— $\frac{1}{4}$ of $\frac{7}{8}$ WI	N 160 acres of E 323.09 acres of Sec. 208, Blk. 97, H&TC RR. Co. Survey.
A. V. Eiche	R. H. Venable	4-4-46	28 408	R. H. Venable— $\frac{3}{4}$ of $\frac{7}{8}$ WI D. H. Harrington— $\frac{1}{4}$ of $\frac{7}{8}$ WI	120 acres out of Tracts 41, 42, and 43 of Dallas Trust and Savings Bank Sub of Grimes Ranch Lands.

WARREN OIL CORPORATION

Lease Operator

Lydie Grawbow Haines, et vlr	W. D. Casebolt	12-9-48	49 301	All $\frac{7}{8}$ WI	123.60 acres out of the NW part of Sec. 179, Blk. 3, H&GN RR. Co. Survey.
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WESTBROOK OIL CORPORATION

Lease Operator

Etta M. Worley	Westbrook Oil Corp.	4-21-49	56 31	All $\frac{7}{8}$ WI	S $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 15, Blk. 1, J. P. Smith Survey.
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WHEELOCK, ET AL

Lease Operator

Ernest H. Rice	Burdell Oil Co.	6-24-49	60 11	George Weinschell 1/6 of $\frac{7}{8}$ WI R. L. Wheelock $\frac{1}{2}$ of $\frac{7}{8}$ WI Burdell Oil Co. 1/6 of $\frac{7}{8}$ WI Emma Burlingham 1/6 of $\frac{7}{8}$ WI	SE $\frac{1}{4}$ of Sec. 249, Blk. 97, H&TC RR. Co. Survey.
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WILSHIRE OIL COMPANY, INC.

Lease Operator

Mrs. W. B. Lee, a widow	Std. Oil Co. of Texas	4-24-42	23 631	82.03125% WI	NE $\frac{1}{4}$ of Sec. 291, Blk. 97, H&TC RR. Co. Survey.
S. G. Lunsford, et ux	Std. Oil Co. of Texas	5-1-42	23 626	82.03125% WI	120 acres out of SW part of Sec. 253, Blk. 97, H&TC RR. Co. Survey.
S. G. Lunsford, et ux	Std. Oil Co. of Texas	5-1-42	24 1	82.03125% WI	193.6 acres out of NW part of Sec. 253, Blk. 97, H&TC RR. Co. Survey.
Ernest Rinehart, et ux	Thomas L. Hutto	1-9-47	30 539	82.03125% WI	E 150 acres out of NW $\frac{1}{4}$ of Sec. 251, Blk. 97, H&TC RR. Co. Survey.
Oma Wren, et vir	Wilshire Oil Co., Inc.	4-26-49	55 405	All $\frac{7}{8}$ WI	86.8 acres out of Sec. 292, Blk. 97, H&TC RR. Co. Survey.

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LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION	NO. TRAC
ERNEST L. WILSON <i>Lease Operator</i>						
Reef Oil Corporation	E. L. Wilson, Joseph M. Wilson, D. H. Voss, Paul P. Steed, and Maracaibo Oil Ex- ploration Corporation	6-21-49	59 395	E. L. Wilson 1/5 of 7/8 WI Joseph M. Wilson 1/5 of 7/8 WI D. H. Voss 1/5 of 7/8 WI Paul P. Steed 1/5 of 7/8 WI Maracaibo Oil Ex- ploration Corp. 1/5 of 7/8 WI	FIRST TRACT: A part of those lands out of Survey No. 179, Blk. 3, H&GN RR. Co. Surveys, particularly described in judgment dated June 25, 1909, rendered in that certain cause styled: RS&P RR. Co. vs. Joe McClain et al, as same appears of record in Vol. 26, Page 374, Deed Records of Scurry County, Texas, to which reference is here made for all purposes; the part of said lands herein conveyed being that which lies between Station 1691 plus 20; thence N to Station 1727 plus 20 and comprising 8.26 acres of land, more or less. SECOND TRACT: All that part of Survey No. 178, Blk. 3, H&GN RR. Co. Surveys, more particularly described by metes and bounds in warranty deed from Mrs. Bettie F. Smith to RS&P RR. Co., said deed being dated Aug. 13, 1910, recorded in Vol. 30, page 512, Deed Records of Scurry County, Texas, containing 10.49 acres of land, more or less, to which deed reference is here made for all purposes. THIRD TRACT: All that part of Survey No. 17 of the J. P. Smith lands in Scurry County, Texas, more particularly described by metes and bounds in two tracts conveyed by warranty deed from S. W. Grimes to RS&P Ry. Co., said deed being dated Nov. 14, 1908, and being duly recorded in Vol. 26, Page 412, Deed Records of Scurry County, Texas, comprising in the aggregate 10.86 acres of land, more or less. FOURTH TRACT: All that part of Survey No. 40 in the name of Kirkland & Fields, more particularly described by metes and bounds by two tracts in warranty deed from S. W. Grimes to RS&P Ry. Co., said deed being dated Nov. 14, 1908, and being duly recorded in Vol. 26, Page 412, Deed Records of Scurry County, Texas, to which reference is here made for all purposes, said two tracts containing in the aggregate 7.06 acres of land, more or less. FIFTH TRACT: All that part of Survey 18, Blk. 1 in the name of J. P. Smith, which is more particularly described by metes and bounds in warranty deed from Miss Ina Davis to RS&P Ry. Co., which said deed is dated Nov. 13, 1908 and is duly recorded in Vol. 26, Page 403, Deed Records of Scurry County, Texas, to which reference is here made for all purposes, said tract so conveyed containing 9.08 acres of land, more or less. SAVE AND EXCEPT , however, from the tracts hereinabove described the following described tracts of land which have been previously conveyed by the said RS&P Ry. Co., to-wit: TRACT A: That part of Sec. 40, Kirkland & Fields Survey and that part of Sec. 18, J. P. Smith Survey, containing in the aggregate 12.4 acres of land, more or less, particularly described in deed from RS&P Ry. Co. to Guy Glenn, which said deed is dated March 25, 1943, and recorded in Vol. 80, Page 529, Deed Records of Scurry County, Texas, to which reference is here made for all purposes; and TRACT B: That part of Sec. 40, Kirkland & Fields Survey, conveyed by the RS&P Ry. Co. to Guy Stoker by deed dated March 25, 1943, recorded in Vol. 80, Page 550, Deed Records of Scurry County, Texas, to which reference is here made for all purposes, and containing 3.69 acres, more or less. All the five tracts named above; and all those certain lots, tracts or parcels of land in Scurry County, Texas, and in the City of Snyder, Scurry County, Texas, described as First to Thirty-fourth Tracts, inclusive, and being the identical lands described in Mineral Deed from Roscoe, Snyder & Pacific Railway Co. to Reef Oil Corporation, dated Feb. 6, 1950, and duly filed for record in the Office of the County Clerk of Scurry County, Texas, to which Mineral Deed and the recording thereof reference is here made for all purposes including the particular description of this tract.	126
Reef Oil Corporation	E. L. Wilson, et al	2-8-50	83 128	E. L. Wilson 1/5 of 7/8 WI Joseph M. Wilson 1/5 of 7/8 WI D. H. Voss 1/5 of 7/8 WI Paul P. Steed 1/5 of 7/8 WI Maracaibo Oil Ex- ploration Corp. 1/5 of 7/8 WI		126
Reef Oil Corporation	E. L. Wilson, et al	6-12-50	— —	E. L. Wilson 1/5 of 7/8 WI Joseph M. Wilson 1/5 of 7/8 WI D. H. Voss 1/5 of 7/8 WI Paul P. Steed 1/5 of 7/8 WI Maracaibo Oil Ex- ploration Corp. 1/5 of 7/8 WI	In addition to the tracts or parcels of land described in the warranty deed and mineral deed hereinabove referred to, it is lessor's intention to lease to lessees and this lease shall and is intended to cover all lands presently or previously occupied by Roscoe, Snyder & Pacific Railroad Company and located within Sections 17 and 18, Blk. 1, J. P. Smith Surveys, Scurry County, Texas and in Sections 178, 179, 180, 154 and 155, Blk. 3, H&GN Ry. Co. Survey, Scurry County, Texas.	126

*The Volume and Page referred to are of the Oil and Gas Lease Records of Scurry Co., Texas.

Exhibit "E" Page 2

This page may be used for additions or corrections to Exhibit "E".

LESSOR	LESSEE	DATE	RECORDED* VOL. PAGE	WORKING INTEREST OWNERSHIP	LAND DESCRIPTION
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Exhibit "E" Page 30

EXHIBIT "F"

ACCOUNTING PROCEDURE MADE A PART OF UNIT OPERATION AGREEMENT, CANYON REEF POOL OF KELLY-SNYDER FIELD AND DIAMOND "M" FIELD, SCURRY COUNTY, TEXAS.

All terms used herein which are defined in the Unit Operation Agreement shall have the meaning therein set forth unless the context otherwise requires. The term "Agreement" as used herein shall mean the Unit Operation Agreement.

I.

DEVELOPMENT AND OPERATING CHARGES

Subject to limitations hereinafter prescribed, segment operator shall charge the joint account with the following items:

1. RENTALS AND ROYALTIES

Delay or other rentals, when such rentals are paid by segment operator for the joint account; royalties, when not chargeable direct to the owner of the working interest.

2. LABOR, TRANSPORTATION, AND SERVICES

Labor, transportation, and other services necessary for the development and operation of the unit area and for the erection, maintenance, and operation of the joint property. Labor shall include (A) Segment Operator's cost of vacation, sickness and disability benefits of employees, and expenditures or contributions imposed or assessed by governmental authority applicable to such labor, and (B) Segment Operator's current cost of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, bonus, and other benefit plans of like nature, applicable to Segment Operator's field payroll; provided that the charges under Part (B) of this paragraph shall not exceed five per cent (5%) of the total of such labor charged to the joint account.

3. MATERIAL

Material, equipment, and supplies purchased or furnished by Segment Operator for use on the segment area. So far as it is reasonably practical and consistent with efficient and economical operation, only such material shall be purchased for or transferred to the segment area as required for immediate use, and the accumulation of surplus stocks shall be avoided.

4. MOVING MATERIAL TO SEGMENT AREA

Moving material to the segment area from vendor's or from Segment Operator's warehouse in the district or from the other properties of Segment Operator, but in either of the last two events no charge shall be made to the joint account for a distance

greater than the distance from the nearest reliable supply store or railway receiving point where such material is available.

5. MOVING SURPLUS MATERIAL FROM SEGMENT AREA

Moving surplus material from the segment area to outside vendees, if sold f. o. b. destination, or minor returns to Segment Operator's warehouse or other storage point. No charge shall be made to the joint account for moving major surplus material to Segment Operator's warehouse or other storage point for a distance greater than the distance to the nearest reliable supply store or railway receiving point, and no charge shall be made to the joint account for moving material to other properties belonging to the Segment Operator.

6. USE OF SEGMENT OPERATOR'S EQUIPMENT AND FACILITIES

Use of and service by Segment Operator's exclusively owned equipment and facilities as provided in Paragraph 4, of Section II, "Basis of Charges to Joint Account."

7. DAMAGES AND LOSSES

Damages or losses incurred by fire, flood, storm, or any other natural or accidental cause not controllable by Segment Operator through the exercise of reasonable diligence. Segment Operator shall furnish each Non-Operator written notice of damage or losses incurred by fire, storm, flood, or other natural or accidental causes as soon as practicable after knowledge or report of the same has been received by Segment Operator.

8. LITIGATION, JUDGMENTS AND CLAIMS

All costs and expenses of litigation, or legal services otherwise necessary or expedient for the protection of the joint interests, including attorney's fees and expenses, together with all judgments obtained against the joint account or the subject matter of this agreement; actual expenses incurred by any party or parties hereto in securing evidence for the purpose of defending against any action or claim prosecuted or urged against the joint account or the subject matter of this agreement.

9. TAXES

All taxes of every kind and nature assessed upon or in connection with the properties which are the subject of this agreement, the production therefrom or the operation thereof, and which taxes have been paid by the Segment Operator for the benefit of the parties hereto.

10. INSURANCE

(A) Premiums paid for insurance carried for the benefit of the joint account, together with all expenditures incurred and paid in settlement of any and all losses, claims, damages, judgments, and other expenses, including legal services, not recoverable from insurance carrier.

(B) If no insurance is required to be carried, all actual expenditures incurred and paid by Segment Operator in settlement of any and all losses, claims, damages, judgments, and any other expenses, including legal services, shall be charged to the joint account.

11. DISTRICT AND CAMP EXPENSE

A proportionate share of the salaries and expenses of Segment Operator's District Superintendent and other general district or field employees serving the segment area, whose time is not allocated direct to the segment area, and a proportionate share

of maintaining and operating a district office and all necessary camps, including housing facilities for employees if necessary, in conducting the operations on the segment area and all other operations of Segment Operator in the same locality. The expense of, less any revenue from, these facilities shall include depreciation or a fair monthly rental in lieu of depreciation on the investment. Such charges shall be apportioned to the segment area and all other operations of the Segment Operator, including all pressure regulation facilities, in proportion to the amount of direct labor costs incurred on each bears to the direct labor in the area served.

12. OVERHEAD

Overhead charges, which shall be in lieu of any charges for any part of the compensation or salaries paid to managing officers and employees of Segment Operator, including the Division Superintendent, the entire staff and expenses of the division office, and any portion of the office expense of the principal business office, but which are not in lieu of district or field office expenses incurred in operating any such properties, or any other expenses of Segment Operator incurred in the development and operation of said properties; and Segment Operator shall have the right to assess against the segment area the following overhead charges:

(A) \$200.00 per month for each drilling well, beginning on the date the well is spudded and terminating when it is on production or is plugged, as the case may be, except that no charge shall be made during the suspension of drilling operations for fifteen (15) or more consecutive days.

(B) \$7.50 per well per month for producing wells.

In connection with overhead charges, the status of wells shall be as follows:

(1) Input or key wells shall be included in overhead schedule the same as producing oil wells.

(2) Producing gas wells shall be included in overhead schedule the same as producing oil wells.

(3) Wells permanently shut down, but on which plugging operations are deferred, shall be dropped from overhead schedule at the time the shutdown is effected. When such wells are plugged, overhead shall be charged at the producing well rate during the time required for the plugging operation.

(4) Wells being plugged back or drilled deeper shall be included in overhead schedule the same as drilling wells.

(5) Various wells may be shut down temporarily and later replaced on production. If and when a well is shut down (other than for proration) and not produced or worked upon for a period of a full calendar month, it shall not be included in the overhead schedule for such month.

(C) If, in practice, the above specified overhead rates are found to be insufficient or excessive, they may be amended from time to time with proper approval.

13. WAREHOUSE HANDLING CHARGES

None.

14. OTHER EXPENDITURES

Any other expenditure incurred by Operator for the necessary and proper development, maintenance, and operation of the joint property.

II.

BASIS OF CHARGES TO JOINT ACCOUNT

1. PURCHASES

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

2. MATERIAL FURNISHED BY SEGMENT OPERATOR

Material required for operations shall be purchased for direct charge to joint account whenever practicable, except that Segment Operator may furnish such material from Segment Operator's stocks, when same has been properly approved, under the following conditions:

(A) New Material (Condition "A")

(1) New Material transferred from Segment Operator's warehouse or other properties shall be priced f.o.b. the nearest reputable supply store or railway receiving point, where such material is available, at current replacement cost of the same kind of material. This will include material such as tanks, rigs, pumps, sucker rods, boilers, and engines. Tubular goods (2" and over), shall be priced on car-load basis effective at date of transfer and f.o.b. railway receiving point nearest the joint account operation, regardless of quantity transferred.

(2) Other material shall be priced on a basis of a reputable supply company's Preferential Price List effective at date of transfer and f.o.b. the store or railway receiving point nearest the joint account operation where such material is available.

(3) Cash discount shall not be allowed.

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

(1) Material which is in sound and serviceable condition and is suitable for reuse without reconditioning shall be classed as Condition "B" and priced at seventy-five per cent (75%) of new price.

(2) Material which cannot be classified as Condition "B" but which,

(a) after reconditioning will be further serviceable for original function as good second-hand material (Condition "B"), or

(b) is serviceable for original function but substantially not suitable for reconditioning, shall be classed as Condition "C" and priced at fifty per cent (50%) of new price.

(3) Material which cannot be classified as Condition "B" or Condition "C" shall be priced at a value commensurate with its use.

(4) Tanks, derricks, buildings, and other equipment involving erection costs shall be charged at applicable percentage of knocked down current new price.

3. WARRANTY OF MATERIAL FURNISHED BY SEGMENT OPERATOR

Segment Operator does not warrant the material furnished beyond or back of the dealer's or manufacturer's guaranty; and, in case of defective material, credit shall not be passed until adjustment has been received by Segment Operator from the manufacturers or their agents.

4. SEGMENT OPERATOR'S EXCLUSIVELY OWNED FACILITIES

The following rates shall apply to service rendered to the joint account by facilities owned exclusively by Segment Operator:

(A) Water service, fuel gas, power, and compressor service: At rates commensurate with cost of providing and furnishing such service to the joint account but not exceeding rates currently prevailing in the field where the segment area is located.

(B) Automotive Equipment: Rates commensurate with cost of ownership and operation. Such rates should generally be in line with schedule of rates adopted by the Petroleum Motor Transport Association, as recommended uniform charges against joint account operations and revised from time to time. Automotive rates shall include cost of oil, gas, repairs, insurance, and other operating expense and depreciation; and charges shall be based on use in actual service on, or in connection with, the joint account operations. Truck, tractor, and pulling unit rates shall include wages and expenses of driver.

(C) A fair rate shall be charged for the use of drilling and cleaning-out tools and any other items of Segment Operator's fully owned machinery or equipment which shall be ample to cover maintenance, repairs, depreciation, and the service furnished the segment area; provided that such charges shall not exceed those currently prevailing in the field where the segment area is located.

(D) Whenever requested, Segment Operator shall inform operators in advance of the rates it proposes to charge.

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

III.

DISPOSAL OF JOINT EQUIPMENT AND MATERIAL

Segment Operator shall be under no obligation to purchase interest of Non-Operators in surplus new or secondhand material. Derricks, tanks, buildings, and other major items shall not be removed by Segment Operator from the segment area without the approval of Non-Operators given in the manner provided in the Agreement.

1. MATERIAL PURCHASED BY SEGMENT OPERATOR

Material purchased by Segment Operator shall be credited to the joint account and included in the monthly statement of operations for the month in which the material is removed from the segment area.

2. MATERIAL PURCHASED BY NON-OPERATORS

Material purchased by Non-Operators shall be invoiced by Segment Operator and paid for by Non-Operators to Segment Operator immediately following receipt of invoice. Segment Operator shall pass credit to the joint account and include the same in the monthly statement of operations.

3. DIVISION IN KIND

Division of material in kind, if made between Segment Operator and Non-Operators, shall be in proportion to their respective interests in such material. Each party

will thereupon be charged individually with the value of the material received or receivable by each party and corresponding credits will be made by Segment Operator to the joint account, and such credits shall appear in the monthly statement of operations.

4. SALES TO OUTSIDERS

Sales to outsiders of material from the joint property shall be credited by Segment Operator to the joint account at the net amount collected by Segment Operator from vendee. Any claims by vendee for defective material or otherwise shall be charged back to the joint account, if and when paid by Segment Operator.

IV.

BASIS OF PRICING MATERIAL TRANSFERRED FROM JOINT ACCOUNT

Material purchased by either Segment Operator or Non-Operators or divided in kind, unless otherwise agreed, shall be valued on the following basis:

1. NEW PRICE DEFINED

New price as used in the following paragraphs shall have the same meaning and application as that used above in Section II, "Basis of Charges to Joint Account."

2. NEW MATERIAL

New material (Condition "A"), being new material procured for the joint account but never used thereon, at 100% of current new price.

3. GOOD USED MATERIAL

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

(A) At seventy-five per cent (75%) of current new price if material was charged to joint account as new, or

(B) At seventy-five per cent (75%) of current new price less depreciation consistent with their usage on and service to the joint property, if material was originally charged to the joint property as secondhand at seventy-five per cent (75%) of new price.

4. OTHER USED MATERIAL

Used material (Condition "C"), being used material which

(A) After reconditioning will be further serviceable for original function as good secondhand material (Condition "B"), or

(B) Is serviceable for original function but substantially not suitable for reconditioning, shall be classed as Condition "C" and priced at fifty per cent (50%) of current new price.

5. BAD-ORDER MATERIAL

Used material (Condition "D"), being material which cannot be classified as Condition "B" or Condition "C", shall be priced at a value commensurate with its use.

6. JUNK

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

7. TEMPORARILY USED MATERIAL

When the use of material is of a temporary nature and its service to the joint account does not justify the reduction in price as provided in Paragraphs 3A and 3B above, such material shall be priced on a basis that will leave a net charge to the joint account consistent with the value of the service rendered.

V.

INVENTORIES

1. PERIODIC INVENTORIES

Periodic inventories shall be taken by Segment Operator of the joint account material, which shall include all such material as is ordinarily considered controllable by Non-Operators of oil and gas properties.

2. NOTICE

Notice of intention to take inventory shall be given by Segment Operator at least thirty days before any inventory is to begin, so that Non-Operators may be represented when any inventory is taken.

3. FAILURE TO BE REPRESENTED

Failure of any Non-Operator to be represented at the physical inventory shall bind such Non-Operator to accept the inventory taken by Segment Operator, who shall in that event furnish such Non-Operator with a copy thereof.

4. RECONCILIATION OF INVENTORY

Reconciliation of inventory with charges to the joint account shall be made by Segment Operator and Non-Operators participating in inventory.

5. ADJUSTMENT OF INVENTORY

Inventory adjustments shall be made by Segment Operator with the joint account for overages and shortages, but Segment Operator shall only be held accountable to Non-Operators for shortages due to lack of reasonable diligence.

**1962 AMENDMENT TO
UNIT OPERATION AGREEMENT FOR
CANYON REEF POOL OF
KELLY-SNYDER FIELD AND DIAMOND "M" FIELD,
SCURRY COUNTY, TEXAS**

THIS AGREEMENT, made and entered into this 1st day of January, 1962, by and between the undersigned Lessees in the Unit Area of the Kelly-Snyder Field and the Diamond "M" Field, Scurry County, Texas,

WITNESSETH:

Under the terms of that certain instrument dated the 1st day of March, 1952, entitled "Unit Operation Agreement for Canyon Reef Pool of Kelly-Snyder Field and Diamond "M" Field, Scurry County, Texas" (herein called the Unit Operation Agreement), the unit operations have heretofore been conducted by three Segment Operators and a Unit Manager under overall supervision and control of an Advisory Committee and an Operators Committee. The parties hereto now deem it advisable to designate a Unit Operator to replace the Segment Operators and the Unit Manager in the management and control of unit operations, to abolish the Advisory Committee and the Operators Committee and to provide otherwise for the overall supervision and control by Lessees of all matters pertaining to unit operations, upon the terms and conditions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of the mutual benefits to be derived from this agreement, the parties hereto hereby agree as follows:

I.

The terms and expressions defined in Article I of the Unit Operation Agreement which are used in this agreement shall have the same meanings stated in Article I of the Unit Operation Agreement, and there shall be added to the definitions in said article the following:

21. UNIT OPERATOR shall mean the Lessee selected to conduct unit operations as hereinafter provided.
22. UNIT OPERATIONS shall mean all operations conducted by Unit Operator pursuant to this agreement for or on account of the development, equipment and operation of the Canyon Reef for the production of oil and gas from the Unit Area and the equipment, operation and maintenance of the system of pressure regulation.

The term "Gas Adjustment Plan", as used in this agreement, means the Sacroc Gas Adjustment Plan, a plan to effect appropriate adjustments to give each party to the Unit Operation Agreement for Canyon Reef Pool of Kelly-Snyder Field and Diamond "M" Field, Scurry County, Texas, gas production of the average quality of that produced from the Unit Area as a whole or the equivalent of such gas production, which plan became effective as of the 1st day of January, 1958.

The expression "this agreement", when used in the amended provisions of the Unit Operation Agreement which are herein set out, shall refer to the Unit Operation Agreement, as amended, and not to the instrument presently being executed. Such expressions as "attached hereto", "parties hereto", "hereunder" and "herein", when used in such amended provisions, shall be construed accordingly.

II.

At seven o'clock A. M. on the effective date of this agreement Standard Oil Company of Texas shall assume the duties of Unit Operator, pursuant to the designation hereinafter made, and shall take over from the Segment Operators and the Unit Manager the joint property, the management and control of the development, equipment and operation of the Unit Area and the administration of the plan and system of pressure regulation and conservation for the Unit Area. The Unit Manager, the Segment Operators and the Unit Operator will cooperate with each other in arranging for such change of management herein agreed to in order that, at the time above specified, the Unit Manager and the Segment Operators will be relieved and discharged of all their duties and functions under the Unit Operation Agreement, the Royalty Unitization Agreement and the Gas Adjustment Plan and will be fully replaced therein by the Unit Operator acting in accordance with the terms and provisions of such agreements as amended hereby. Unit Operator is authorized to enter into a contract with H. H. Allen, the present Unit Manager, to retain him as a special consultant on matters pertaining to unit operations for a period commencing on the effective date of this agreement and ending on September 30, 1965, said H. H. Allen to receive substantially the same compensation and benefits received by him as Unit Manager. All of Unit Operator's costs and expenses under such contract shall be charged to the joint account.

III.

Article V of the Unit Operation Agreement is hereby amended by deleting Sections 1, 2, 3 and 4, entitled "Operators Committee", "Segment Operators", "Advisory Committee" and "Unit Manager", respectively, and substituting therefor the following, as Sections 1 and 2 of said Article V:

1. SUPERVISION OF UNIT OPERATIONS BY LESSEES:

Lessees shall exercise overall supervision and control of all matters pertaining to unit operations pursuant to this agreement, the Royalty Unitization Agreement and the Gas Adjustment Plan. In the exercise of such authority, each Lessee shall act solely in its own behalf in the capacity of an individual owner and not in behalf of the owners as an entirety.

The matters with respect to which Lessees shall decide and take action shall include, but shall not be limited to, the following:

- (a) Selection of a new Unit Operator in the event of the removal or resignation of the original or any subsequent Unit Operator.
- (b) Direction and control of all activities of the Unit Operator in carrying out its duties hereunder, exercising such degree of control as Lessees deem available.
- (c) Passing upon and approval or disapproval of the plans for regulating the pressure, conserving the production and controlling the reservoir performance.
- (d) Passing upon and approval or disapproval of all contracts to be made by Unit Operator for the purchase of fresh water, salt water, extraneous gas and other substances that will be required for injection into the producing formation.
- (e) Passing upon and approval or disapproval of all expenditures by Unit Operator for construction of buildings and facilities, for drilling, reworking, reconditioning and equipping of wells, and for the purchase of real and personal property to be used in connection with unit operations such as land, surface rights, rights of way and other easements, rights to use real property for pressure regulation purposes, and purchases of compressors, engines, pumps and other machinery and equipment, casing, tubing and other pipe, oil well machin-

ery and equipment; provided that if the construction of facilities or of any additions or alterations thereto or the drilling, reworking, reconditioning and equipping of a well or wells have been approved by Lessees and the plans and specifications or arrangement under which the same are to be furnished, constructed or drilled are approved, it will be considered that all expenditures that may be necessary in acquiring, constructing and equipping said facilities or any additions or alterations thereto, or in doing said work, in accordance with such plans and specifications or arrangement, have been approved, provided that any expenditure for any single item over \$50,000 shall be made only after receipt of competitive bids and award by vote of Lessees; and provided further that this sub-paragraph (e), requiring Lessees' approval, shall not apply as to any item involving an expenditure of \$20,000 or less. It is further provided that Lessees shall not be required to approve each contract executed or entered into by Unit Operator in connection with each expenditure which has been approved by Lessees as above provided, but Lessees shall have the power, if they so elect, to stipulate in connection with their approval of any such expenditure that the contract or contracts, or any of them, to be executed or entered into by Unit Operator in connection with such expenditure, must be approved by Lessees.

(f) Passing upon and approval or disapproval of the sale or distribution of major items of surplus property having a value in excess of \$7,500 each.

(g) Appointment of an auditor, inspector or auditing committee to represent all of the Lessees except Unit Operator in auditing, inspecting and checking Unit Operator's books and records relating to the development, equipment and operation of the Unit, which auditing and inspection shall be done at the expense of all Lessees except Unit Operator in the proportions which their respective participation percentages bear to the aggregate participation percentages of all such Lessees.

Each Lessee shall in writing inform Unit Operator of the names and addresses of the representative and alternate who are authorized to represent and bind such Lessee with respect to unit operations. The representative or alternate and/or their addresses may be changed from time to time by written notice to Unit Operator.

All meetings of Lessees, except the annual meeting hereinafter provided for, shall be called by Unit Operator upon its own motion or at the request of one or more Lessees having not less than ten per cent (10%) of the total participation percentage interest in the unit owned by all Lessees. No meeting shall be called on less than fourteen (14) days' advance written notice, with agenda for the meeting attached. Lessees who attend the meeting shall not be prevented from amending items included in the agenda or from deciding the amended item or other items presented at the meeting, provided, however, that no such amendment or addition to the agenda shall be made which would constitute a proposal which would, if adopted, result in (i) a change of Unit Operator; (ii) a change in the method of secondary recovery employed in unit operations; (iii) an expenditure in excess of \$100,000; or (iv) a material change in any aspect of unit operations. The representative of Unit Operator shall be chairman of each meeting.

In addition to meetings called as above provided Lessees shall hold an annual meeting on the first Tuesday in March of each year, the hour and place of such meeting to be designated by Unit Operator. At such annual meeting Lessees shall receive a report by Unit Operator on the progress of all unit operations and shall consider all

matters that may be submitted to it by Unit Operator and any other business that may properly come before the meeting. Unit Operator shall give Lessees at least fourteen (14) days' advance written notice of the hour and place of each annual meeting, with agenda for the meeting attached, and the provisions of the next preceding paragraph relating to amendments or additions to the agenda for called meetings shall also apply to the agenda for each annual meeting.

Lessees shall decide all matters coming before them as follows:

- (a) Each Lessee shall have a voting interest equal to its participation percentage in the unit.
- (b) Unless otherwise provided herein, all matters shall be decided by an affirmative vote of at least five (5) Lessees in number having sixty per cent (60%) or more voting interest.
- (c) Any Lessee who is not represented at a meeting may vote by letter or telegram addressed to the representative of the Unit Operator if its vote is received prior to the vote on the item.
- (d) Lessees may vote on and decide, by letter or telegram, any matter submitted in writing by Unit Operator to Lessees, if no meeting is called or requested in accordance with the above procedure within seven (7) days after the proposal is sent to Lessees. If a meeting is called or requested within said seven (7) day period for the purpose of considering one or more matters which have been submitted by Unit Operator for a vote by letter or telegram, such meeting shall be called on seven (7) days' advance written notice unless Unit Operator, in its discretion, determines that additional notice not to exceed fourteen (14) days should be given. Any matter submitted by Unit Operator in writing shall be deemed properly submitted as to any particular Lessee when deposited in the United States Mail, postage prepaid, and directed to such Lessee at the address indicated on the signature page or pages of the instrument by which this amended Section 1 of Article V of this agreement becomes effective, or to any new address designated by such Lessee by written notice to Unit Operator. Each Lessee desiring to vote on any matter so submitted must do so by delivering to Unit Operator at the address specified in such submittal the letter or telegram constituting the vote of such Lessee within fifteen (15) days after the submittal by Unit Operator or within any such greater time as may be specified by Unit Operator in such submittal. Unit Operator will give prompt notice of the results of the voting to all Lessees.

2. UNIT OPERATOR

Standard Oil Company of Texas is hereby designated as Unit Operator. Subject to the orders, directions and limitations given or imposed by Lessees as herein provided, and subject to the provisions of this agreement, Unit Operator shall have complete charge, management and control of the development, equipment and operation of the Unit Area and the equipment, operation and maintenance of the system for regulating the pressure and for producing the Unit Area as a whole. Unit Operator shall conduct all development, equipment and operation on the Unit Area in a good and workmanlike manner and in the absence of specific instructions from Lessees, Unit Operator shall have the right and duty to act in accordance with its best judgment of what a prudent operator would do under the same or similar circumstances. Unit Operator shall consult freely with the parties hereto and shall

keep them informed of all matters arising in connection with its operations that, in the exercise of its best judgment, it considers important. In addition to its general duties, Unit Operator shall, subject to the limitations herein imposed, and under the direction of the Lessees, perform the following specific acts:

- (a) Conduct and pay for all drilling, reworking, reconditioning, treating and other producing and development operations on the Unit Area, carrying out such operations in accordance with the plans adopted for regulating the pressure and conserving the production in and from the Unit Area.
- (b) Purchase all equipment, materials and supplies necessary in connection with the development, equipment and operation of the Unit Area and the equipment, operation and maintenance of the pressure regulation system. Acquire real property for the unit operations.
- (c) Contract for, and supervise the construction and installation of, any additional systems designed for regulating the pressure and for conserving the production which may be authorized at any time by the Lessees.
- (d) Pay all wages and salaries and employee benefits of Unit Operator's employees engaged in serving the Unit Area. The number of employees used by Unit Operator in conducting unit operations, their selection, hours of labor and compensation shall be determined by Unit Operator. Said employees shall be the employees of Unit Operator.
- (e) Subject to approval by Lessees, procure all substances to be used for injection into the Canyon Reef, such as fresh water, salt water, gas, extraneous gas, etc., and make contracts for the purchase of them to secure an adequate and reliable supply.
- (f) Promptly pay and discharge all costs and expenses incurred to take advantage of trade discounts where available.
- (g) Keep an accurate and itemized set of records and account books covering the operations of Unit Operator showing in detail all costs and expenses incurred in unit operations, which shall reflect all development, equipment and operation of the Unit Area, all production therefrom and the account of each of the parties hereto in the unit operation; furnish to each party hereto a monthly report of all expenditures made or incurred, together with any reasonable information required by them relating to said account and said development, equipment and operation.
- (h) Afford to each of the parties hereto an opportunity to examine all books and records in Unit Operator's possession relating to the unit operations.
- (i) Furnish on or before the 15th day of each calendar month to each party hereto a report of unit operations during the second preceding calendar month and a monthly statement showing the amount of production produced from the Unit Area and the amount of production attributable to each Numbered Tract in the Unit Area during the said month, and such other data and information as may be necessary for a proper accounting and settlement between the parties.
- (j) Keep all real property and all personal property and equipment free and clear of all liens and encumbrances on account of any claims arising out of operations conducted by Unit Operator hereunder.
- (k) Unit Operator shall be authorized to compromise and settle any and all claims for damages arising out of unit operations, provided the settlement and

release of any such claim shall cover all Lessees, and provided no payment for any single claim shall exceed \$5,000 without approval of Lessees.

(l) Make all necessary reports to governmental authorities and all necessary tax renditions and returns for the joint property and unit operations. Pay all valid applicable taxes and fees levied upon the joint property and unit operations. Secure for the unit operations all necessary licenses and permits. Appear before any regulatory agency on matters pertaining to unit operations and obtain such administrative orders from any such agency as may be necessary in carrying out unit operations in accordance with this agreement. This shall in no event prevent any Lessee from representing itself before any regulatory agency at its own expense. As to matters concerned with this subparagraph (1), Unit Operator may submit to Lessees the question of the manner in which it shall perform any of said functions and Unit Operator shall act in accordance with the vote of Lessees on any such matter so submitted.

(m) To perform all of the duties especially assigned to it in this agreement and to supervise all other matters necessary to the accomplishment of the duties delegated to Unit Operator.

The Unit Operator, or any successor Unit Operator, may be discharged and its rights, powers and duties, or any part thereof, may be terminated at any time by a vote of Lessees holding as much as sixty-five per cent (65%) of the total voting interest in the unit. Unit Operator shall also be discharged if it tenders its resignation, refuses or fails to carry out its duties and obligations hereunder, becomes insolvent, or ceases to own an interest in the Unit Area. Unit Operator shall not be deemed to have ceased to own an interest in the Unit Area if it is merged or consolidated into or with another corporation, or if another corporation purchases all, or substantially all, of Unit Operator's properties, and said successor shall succeed to the rights and duties of Unit Operator hereunder. In the event a Unit Operator shall be discharged, a successor Unit Operator shall be selected by the affirmative vote of Lessees holding at least sixty-five per cent (65%) of the total voting interest in the unit. The Lessee so discharged as Unit Operator shall be entitled to vote in the selection of a successor Unit Operator but shall not be entitled to vote for itself in such selection. Neither Unit Operator nor any successor Unit Operator shall be released from its duties and obligations for a period of sixty (60) days after its discharge unless a successor Unit Operator shall have been selected and approved, as above provided, and shall have assumed the obligations of Unit Operator prior to the expiration of said period.

IV.

Article VI of the Unit Operation Agreement, entitled "Distribution of Costs and Expenses" shall be amended to read as follows:

VI.

DISTRIBUTION OF COSTS AND EXPENSES

All costs, expenses and liabilities incurred on account of unit operations by Unit Operator hereunder, shall be for the joint account of the Lessees and shall be borne by each of the Lessees in proportion to its participation percentage. Unit Operator shall set up a joint account on behalf of Lessees for all costs and expenses incurred by it in the development, equipment and operation of the Unit Area, and the pressure regulation system, and all said costs and expenses shall be charged to the Lessees on the basis set out in the amended Accounting Procedure attached hereto, made a part hereof, and

marked Exhibit "F". In the event of any conflict between the provisions of said Accounting Procedure and the provisions of this agreement, the provisions of this agreement shall control.

Unit Operator initially shall pay all costs and expenses incurred by it in connection with its operations, unless it receives advances for such purposes as hereinafter provided. Unit Operator shall make a monthly statement of all expenditures made or incurred by it in connection with the unit operations, and on or before the 15th day of each month Unit Operator shall mail out to Lessees the statement covering expenditures for the second preceding month, showing on such statement the respective credits to and charges against each Lessee and the balance, if any, owed by each Lessee to Unit Operator. On or before twenty (20) days after the date of mailing of said statement, each Lessee shall pay the Unit Operator the balance owing by it, if any, shown by said statement, but such payment shall not be regarded as an admission of the correctness of the statement, provided that all statements rendered to each Lessee by Unit Operator during any calendar year shall conclusively be presumed to be correct after twenty-four (24) months following the end of such calendar year unless within said twenty-four (24) month period such Lessee takes written exception thereto and makes claim on Unit Operator for adjustment. Should any Lessee fail to pay its proportionate part of the costs and expenses as shown by each statement within said twenty (20) day period, the same shall bear interest at the rate of six per cent (6%) per annum from the end of said period until paid, and Unit Operator shall have the right, at its option, at any time thereafter, such default continuing, to foreclose the lien herein provided upon the respective interests of such Lessee.

Unit Operator may, at its election, require the several Lessees to advance their respective proportions of the costs and expenses of development, equipment and operation of the Unit Area according to the following conditions: On or before the last day of each calendar month, Unit Operator shall submit an itemized estimate of such costs and expenses for the succeeding calendar month, determined on the basis of the budget hereinafter provided for, to each of the Lessees with request for the payment of its proportionate part thereof. On or before the twenty-fifth day of the month covered by the estimate, each of the Lessees shall pay to the Unit Operator said Lessees' proportionate part of such estimate. Should any Lessee fail or refuse to pay its proportionate part of the estimate within said period, the same shall bear interest at the rate of six per cent (6%) per annum from the end of said period until paid, and Unit Operator shall have the right at its option, at anytime thereafter, such default continuing, to foreclose the lien hereinafter provided for upon the respective interests of such Lessee. Adjustment between estimates and actual costs shall be made by Unit Operator at the accounting close of each calendar month and the accounts of the parties shall be adjusted accordingly. It is expressly provided, however, that in lieu of requiring monthly advancements to cover ordinary operations hereunder, Unit Operator may (or shall, if directed to do so by the Lessees) retain as a working fund for current ordinary operations hereunder the advancements made by Lessees for the first month for which such advancements are required by Unit Operator, or for any subsequent month selected by Lessees as being more appropriate for said purpose. The retention of such working fund shall not prejudice Unit Operator's right to require advancements, as hereinabove provided, for any month in which the estimated expenditures for the joint account are in excess of the amount of said working fund, but each Lessee shall not be required to advance for any such month more than its proportionate part of the amount of such estimated excess. If Lessees should subsequently determine that said working fund is inadequate or excessive, Unit Operator shall have the right to increase the amount of said fund, or shall re-

duce the same, by requiring additional advancements or by making appropriate adjustments in a manner to be approved by Lessees voting in accordance with Section 1 of Article V of this agreement.

On or before the fifteenth day of October of each year Unit Operator shall prepare a tentative annual budget covering estimated expenditures for the development, equipment and operation of the Unit Area for the succeeding calendar year. The tentative annual budget shall set forth the estimated expenditures for the quarterly period beginning on the 1st day of January, the 1st day of April, the 1st day of July and the 1st day of October and, where practical to do so, shall show the estimated expenditures by months in each quarterly period. Unit Operator shall correct the tentative budget, if necessary, at least thirty (30) days prior to the beginning of each quarterly period. A copy of the tentative annual budget and all quarterly corrections thereof shall be mailed by Unit Operator to each Lessee. During the calendar year in which Unit Operator begins unit operations it shall be within the discretion of Unit Operator whether it submits a tentative budget for the remainder of the year, unless it is directed to do so by the Lessees.

V.

The Accounting Procedure attached to and made a part of the Unit Operation Agreement, and marked EXHIBIT "F", shall be amended by substituting therefor the Accounting Procedure attached hereto, marked EXHIBIT "F", and entitled "ACCOUNTING PROCEDURE MADE A PART OF UNIT OPERATION AGREEMENT, CANYON REEF POOL OF KELLY-SNYDER FIELD AND DIAMOND 'M' FIELD, SCURRY COUNTY, TEXAS."

VI.

Article XIII of the Unit Operation Agreement, entitled "Relationship of Parties", shall be amended by adding thereto the following paragraph:

Each party hereto elects that it and the operations covered by this agreement be excluded from the application of Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1954, or such portion or portions thereof as the Secretary of the Treasury of the United States or his representative shall permit by election to be excluded therefrom, in so far as all or any portion of said Subchapter K may be applicable to the parties hereto in respect to the operations covered by this agreement. Unit Operator is hereby authorized and directed to execute on behalf of each party hereto such additional or further evidence of said election as may be required by regulations issued under said Subchapter K, provided such party has not made such election and notified Unit Operator thereof, or should said regulations require each party to execute such further evidence, each party agrees to execute such evidence, or to join in the execution thereof. The election hereby made and the other provisions of this paragraph shall apply in like manner to any applicable state laws, regulations and rulings now in effect or hereafter enacted that have an effect similar to the federal provisions referred to herein.

VII.

Any duty, right, power, lien, authority or privilege, right of way or easement imposed upon or vested in the Unit Manager or the Segment Operators in the Unit Operation Agreement, the Royalty Unitization Agreement or the Gas Adjustment Plan shall after the effective date hereof be imposed upon or vested in Unit Operator, and any reference to Unit Manager or to the Segment Operators in any of said agreements shall hereafter be deemed to refer to the Unit Operator unless the context requires otherwise in order to be consistent with the purposes and provisions of this agreement.

VIII.

The Advisory Committee and the Operators Committee shall be abolished as of the effective date of this agreement. Any duty, right, power, authority or privilege imposed upon or vested in the Advisory Committee or the Operators Committee in the Unit Operation Agreement, the Royalty Unitization Agreement or the Gas Adjustment Plan shall after the effective date hereof be imposed upon or vested in Lessees, and shall be discharged or exercised by Lessees subject to the provisions of Section 1 of Article V of the Unit Operation Agreement, as herein amended.

IX.

The effective date of this agreement shall be the first day of the second calendar month following the month in which this agreement is executed or ratified by Lessees owning ninety per cent (90%) of the total participation percentage interest in the unit owned by all Lessees. Within a reasonable time thereafter Unit Operator shall notify or cause to be notified each Lessee of such effective date. All of the provisions of this agreement shall take effect on the effective date of this agreement.

X.

The provisions of this agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns. Each party hereto hereby ratifies the Unit Operation Agreement, the Royalty Unitization Agreement and the Gas Adjustment Plan, as amended or modified by the terms hereof. This agreement may be executed in as many counterparts as are deemed necessary, or it may be joined in or ratified by any party or parties by executing a ratification thereof, and when thus executed either on a counterpart or by a ratification shall have the same effect as if said party or parties actually all had joined in executing one and the same document. This agreement, and the Unit Operation Agreement, as herein amended, shall be construed and enforced in accordance with the applicable laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the respective dates set opposite their signatures.

Date _____

ATTEST:

Secretary

By _____

Its _____

Address _____

Date _____

ATTEST:

Secretary

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STATE OF _____ }
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person who executed the foregoing instrument as _____ of _____, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and in the capacity therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 1962.

Notary Public in and for

County, _____

STATE OF _____ }
COUNTY OF _____ }

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Notary Public in and for

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Notary Public in and for

County, _____

STATE OF _____ }
COUNTY OF _____ }

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Notary Public in and for

County, _____

STATE OF _____ }
COUNTY OF _____ }

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Notary Public in and for

County, _____

STATE OF _____ }
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person _____ whose name _____ subscribed to the foregoing instrument, and acknowledged to me that _____ he _____ executed the same for the purposes and consideration therein expressed.

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Notary Public in and for

County, _____

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Notary Public in and for

County, _____

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County, _____

STATE OF _____ }
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Notary Public in and for

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GIVEN under my hand and seal of office this _____ day of _____, 1962.

Notary Public in and for

County, _____

EXHIBIT "F"

**ACCOUNTING PROCEDURE
MADE A PART OF UNIT OPERATION AGREEMENT,
CANYON REEF POOL OF
KELLY-SNYDER FIELD AND DIAMOND "M" FIELD,
SCURRY COUNTY, TEXAS**

All terms used herein which are defined in the Unit Operation Agreement shall have the meanings therein set forth unless the context otherwise requires. The term "Agreement" as used herein shall mean the Unit Operation Agreement, as amended. Where any provision hereof requires approval of Lessees, such approval shall be by Lessees voting in accordance with the Agreement.

I.

DEVELOPMENT AND OPERATING CHARGES

Subject to limitations hereinafter prescribed, Unit Operator shall charge the joint account with the following items:

1. Rentals and Royalties

Delay or other rentals, when such rentals are paid by Unit Operator for the joint account; royalties, when not paid directly to royalty owners by the purchaser of the oil, gas, casinghead gas, or other products, or when not chargeable direct to the owner of the working interest.

2. Labor

A. Salaries and wages of Unit Operator's employees directly engaged on the joint property in the development, maintenance, and operation of the Unit Area, including salaries or wages paid to geologists and other employees who are temporarily assigned to and directly employed on a drilling well or other unit operation.

B. Unit Operator's cost of holiday, vacation, sickness and disability benefits, and other customary allowances applicable to the salaries and wages chargeable under Subparagraph 2 A and Paragraph 11 of this Section I. Costs under this Subparagraph 2 B may be charged on a "when and as paid basis" or by "percentage assessment" on the amount of salaries and wages chargeable under Subparagraph 2 A and Paragraph 11 of this Section I. If percentage assessment is used, the rate shall be based on Unit Operator's cost experience.

C. Costs of expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to Unit Operator's labor cost of salaries and wages as provided under Subparagraph 2 A, 2 B, and Paragraph 11 of this Section I.

3. Employee Benefits

Unit Operator's current cost of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, theft, bonus and other

benefit plans of a like nature, applicable to Unit Operator's labor cost, provided that the total of such charges shall not exceed ten per cent (10%) of Unit Operator's labor costs as provided in Subparagraphs A and B of Paragraph 2 of this Section I and in Paragraph 11 of this Section I.

4. Material

Material, equipment and supplies purchased or furnished by Unit Operator for use on the Unit Area. So far as it is reasonably practical and consistent with efficient and economical operation, only such material shall be purchased for or transferred to the unit area as may be required for immediate use, and the accumulation of surplus stocks shall be avoided.

5. Transportation

Transportation of employees, equipment, material, and supplies necessary for the development, maintenance, and operation of the Unit Area, subject to the following limitations:

- A. If material is moved to the Unit Area from vendor's or from Unit Operator's warehouse or other properties, no charge shall be made to the joint account for a distance greater than the distance from the nearest reliable supply store or railway receiving point where such material is available, except with approval of Lessees.
- B. If surplus material is moved to Unit Operator's warehouse or other storage point, no charge shall be made to the joint account for a distance greater than the distance from the nearest reliable supply store or railway receiving point, except with approval of Lessees. No charge shall be made to the joint account for moving material to other properties belonging to Unit Operator, except with approval of Lessees.

6. Service

- A. Outside Services:
The cost of contract services and utilities procured from outside sources.
- B. Use of Unit Operator's Equipment and Facilities:
Use of and service by Unit Operator's exclusively owned equipment and facilities as provided in Paragraph 5 of Section II entitled "Unit Operator's Exclusively Owned Facilities".

7. Damages and Losses to Joint Property and Equipment

All costs or expenses necessary to replace or repair damages or losses incurred by fire, flood, storm, theft or any other cause not controllable by Unit Operator through the exercise of reasonable diligence. Unit Operator shall furnish Lessees written notice of damages or losses incurred as soon as practicable after report of the same has been received by Unit Operator. If Unit Operator or any other party hereto should suffer any loss or incur any liability because of the fact that an owner of a working interest is not bound by the Agreement or any amendment thereto, such loss or liability shall be charged to and borne by all of the parties bound by the Agreement or such amendment thereto in the proportions which their respective participation percentages bear to the aggregate participation percentages of all such parties.

8. Litigation Expense

All costs and expenses of litigation, or legal services otherwise necessary or expedient for the prudent operation or protection of the joint interests, including attorney's fees and expenses, together with all judgments obtained against the joint account or the subject matter of this Agreement; actual expenses incurred by any party or parties hereto in securing evidence for the purpose of defending against any action or claim prosecuted or urged against the joint account or the subject matter of this Agreement. It is expressly provided, however, that charges to the joint account for fees of outside attorneys incurred in respect of any one calendar year shall not exceed \$18,000 without the approval of Lessees. It is further agreed that the provisions of this paragraph shall not prevent any Lessee from providing its own legal representation at its own expense.

9. Taxes

All taxes of every kind and nature assessed or levied upon or in connection with the properties which are the subject of this Agreement, the production therefrom or the operation thereof, and which taxes have been paid by Unit Operator for the benefit of the parties hereto.

10. Insurance and Claims

- A. Premiums paid for insurance required to be carried for the benefit of the joint account, together with all expenditures incurred and paid in settlement of any and all losses, claims, damages, judgments, and other expenses, including legal services, not recovered from insurance carrier.
- B. If no insurance is required to be carried, all actual expenditures incurred and paid by Unit Operator in settlement of any and all losses, claims, damages, judgments, and any other expenses, including legal services, shall be charged to the joint account.

11. District and Camp Expense (Field Supervision and Camp Expense)

A proportionate share of the salaries and expenses of Unit Operator's production superintendent and other employees serving the Unit Area and other properties of Unit Operator in the same locality, whose time is not allocated directly to the Unit Area, and a proportionate share of the cost of maintaining and operating a production office (including related facilities and necessary sub-offices, if any) and all necessary camps, including housing facilities for employees if necessary, used in conducting the operations on the Unit Area and all other operations of Unit Operator in the same locality. The expense of, less any revenue from, these facilities shall include depreciation or a fair monthly rental in lieu of depreciation on the investment. A portion of such charges shall be allocated to any gasoline plants, compressor plants, repressuring projects, salt water disposal facilities and similar installations served by said employees and by said production office and other facilities covered by such charges, on some equitable basis consistent with Unit Operator's accounting practice, and the remaining portion of such charges shall be apportioned to the drilling and producing operations on the Unit Area and all other such operations of the Unit Operator, in proportion to the number of wells comprising each operation, with one drilling well being equal to ten producing wells.

It is recognized that so long as Unit Operator's production office and the other facilities (if any) described in the foregoing portion of this Paragraph 11 of Section I

serve only the Unit Area, the entire cost of operating and maintaining such office and other facilities shall be charged to the joint account, and the salaries and expenses of Unit Operator's production superintendent and all other employees serving the Unit Area through or under said production office shall be charged entirely to the joint account as direct labor charges under Paragraph 2 of this Section I. It is further understood and agreed that only Unit Operator's lowest echelon production office (being an office comparable to the district office which was being operated and maintained by Standard Oil Company of Texas on January 1, 1962, at or near Snyder, Texas, known as the Kelly-Snyder District Office and the personnel assigned thereto) shall be covered by this Paragraph 11 of Section I, and that all higher echelon offices and personnel assigned thereto shall be covered by Paragraph 12 of this Section I.

12. Administrative Overhead

Overhead charges, which shall be in lieu of any charges for any part of the compensation or salaries paid to managing officers and employees of Unit Operator, including the division superintendent, the entire staff and expenses of the division office, and any portion of the office expense of the principal business office, but which are not in lieu of district or field office expenses (as referred to in Paragraph 11 of this Section I) incurred in operating any such properties, or any other expenses of Unit Operator incurred in the development and operation of said properties which are properly chargeable hereunder; and Unit Operator shall have the right to assess against the Unit Area the following overhead charges:

- A. \$200 per month for each drilling well, beginning on the date the well is spudded and terminating when it is on production or on injection or is plugged, as the case may be, except that no charge shall be made during the suspension of drilling operations for fifteen (15) or more consecutive days. Input or key wells when being drilled shall be included within this Subparagraph A. Wells being plugged back, drilled deeper or converted to a source or input well shall also be considered as drilling wells.
- B. An amount of \$10,000 per month for all producing operations; provided, however, should Unit Operator at any time after January 1, 1962, have a general salary and wage increase or decrease (as distinguished from individual merit salary increases), then the amount provided in this Subparagraph B shall be increased or decreased proportionately.
- C. It is specifically understood that the above overhead rates apply only to drilling and producing operations and are not intended to cover the construction of additional facilities such as, but not limited to, gasoline plants, compressor plants, repressuring projects, salt water disposal facilities, and similar installations. If at any time any or all of such additional facilities become necessary to unit operations, an overhead charge may be assessed upon the total cost of construction of each such facility as follows:

\$0 — \$25,000 — None

All in excess of \$25,000 — 2%

- D. The above specified overhead rates shall be reviewed after having been in effect for one (1) year and shall be thereafter reviewed from time to time upon the request of the Lessees (voting in accordance with the Unit Operation Agreement) or the Unit Operator provided that no review shall occur within one

(1) year after the last preceding review. If, as a result of any such review, the above specified overhead rates are found to be insufficient, or excessive, future charges shall be adjusted to the extent approved by the Lessees voting as aforesaid.

13. Unit Operator's Fully Owned Warehouse Operating and Maintenance Expense

None.

14. Other Expenditures

Any expenditure, other than expenditures which are covered and dealt with by the foregoing provisions of this Section I, incurred by Unit Operator for the necessary and proper development, maintenance, and operation of the joint property.

II.

BASIS OF CHARGES TO JOINT ACCOUNT

1. Purchases

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

2. Material Furnished by Unit Operator

Material required for operations shall be purchased for direct charge to joint account whenever practicable, except that Unit Operator may furnish such material from Unit Operator's stocks under the following conditions:

A. New Material (Condition "A")

(1) New material transferred from Unit Operator's warehouse or other properties shall be priced f.o.b. the nearest reputable supply store or railway receiving point, where such material is available, at current replacement cost of the same kind of material. This will include material such as tanks, pumping units, sucker rods, engines, and other major equipment. Tubular goods, two-inch (2") and over, shall be priced on carload basis effective at date of transfer and f.o.b. railway receiving point nearest the joint account operation, regardless of quantity transferred.

(2) Other material shall be priced on basis of a reputable supply company's preferential price list effective at date of transfer and f.o.b. the store or railway receiving point nearest the joint account operation where such material is available.

(3) Cash discount shall not be allowed.

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

(1) Material which is in sound and serviceable condition and is suitable for reuse without reconditioning shall be classed as Condition "B" and priced at seventy-five per cent (75%) of new price.

(2) Material which cannot be classified as Condition "B" but which,

(a) After reconditioning will be further serviceable for original function as good secondhand material (Condition "B"), or

(b) Is serviceable for original function but substantially not suitable for reconditioning,
shall be classed as Condition "C" and priced at fifty per cent (50%) of new price.

(3) Material which cannot be classified as Condition "B" or Condition "C" shall be priced at a value commensurate with its use.

(4) Tanks, buildings, and other equipment involving erection costs shall be charged at applicable percentage of knocked-down new price.

3. Premium Prices

Whenever materials and equipment are not readily obtainable at the customary supply point and at prices specified in Paragraphs 1 and 2 of this Section II because of national emergencies, strikes or other unusual causes over which Unit Operator has no control, Unit Operator may charge the joint account for the required materials on the basis of Unit Operator's direct cost and expense incurred in procuring such materials, in making it suitable for use, and in moving it to the location, provided, however, that notice in writing is furnished to Lessees of the proposed charge prior to billing Lessees for the material and/or equipment acquired pursuant to this provision, whereupon each Lessee shall have the right, by so electing and notifying Unit Operator within 10 days after receiving notice from Unit Operator, to furnish in kind, or in tonnage as the parties may agree, at the location, nearest railway receiving point, or Unit Operator's storage point within a comparable distance, all or part of its share of material and/or equipment suitable for use and acceptable to Unit Operator. Transportation costs on any such material furnished by any Lessee, at any point other than at the location, shall be borne by such Lessee. If, pursuant to the provisions of this paragraph, any Lessee furnishes material and/or equipment in kind, Unit Operator shall make appropriate credits therefor to the account of said Lessee.

4. Warranty of Material Furnished by Unit Operator

Unit Operator does not warrant the material furnished beyond or back of the dealer's or manufacturer's guaranty; and in case of defective material, credit shall not be passed until adjustment has been received by Unit Operator from the manufacturers or their agents.

5. Unit Operator's Exclusively Owned Facilities

The following rates shall apply to service rendered to the joint account by facilities owned exclusively by Unit Operator:

A. Water, fuel, power, compressor and other auxiliary service at rates commensurate with cost of providing and furnishing such service to the joint account but not exceeding rates currently prevailing in the field where the joint property is located.

B. Automotive equipment at rates commensurate with cost of ownership and operation. Such rates should generally be in line with the schedule of rates adopted by the Petroleum Motor Transport Association, or some other recognized organization, as recommended uniform charges against joint account operations and revised from time to time. Automotive rates shall include cost of oil, gas, repairs, insurance, and other operating expense and depreciation;

and charges shall be based on use in actual service, on, or in connection with, the joint account operations. Truck and tractor rates may include wages and expenses of driver.

- C. A fair rate shall be charged for the use of drilling and cleaning-out tools and any other items of Unit Operator's fully owned machinery or equipment which shall be ample to cover maintenance, repairs, depreciation, and the service furnished the Unit Area; provided that such charges shall not exceed those currently prevailing in the field where the Unit Area is located. Pulling units shall be charged at hourly rates commensurate with the cost of ownership and operation, which shall include repairs and maintenance, operating supplies, insurance, depreciation, and taxes. Pulling unit rates may include wages and expenses of Unit Operator.
- D. A fair rate shall be charged for laboratory services performed by Unit Operator for the benefit of the joint account, such as gas, water, core, and any other analyses and tests; provided such charges shall not exceed those currently prevailing if performed by outside service laboratories.
- E. Whenever requested, Unit Operator shall inform Lessees in advance of the rates it proposes to charge.
- F. Rates shall be revised and adjusted from time to time when found to be either excessive or insufficient.

III.

DISPOSAL OF LEASE EQUIPMENT AND MATERIAL

Unit Operator shall be under no obligation to purchase interest of Lessees in surplus new or secondhand material. The disposition of major items of surplus material, such as derricks, tanks, engines, pumping units, and tubular goods, shall be subject to approval of Lessees; provided Unit Operator shall have the right to dispose of normal accumulations of junk and scrap material either by transfer or sale from the joint property.

1. Material Purchased by Unit Operator or any other Lessee

Material purchased by either Unit Operator or any other Lessee shall be credited by Unit Operator to the joint account for the month in which the material is removed by the purchaser.

2. Division in Kind

Division of material in kind, if made between Unit Operator and Lessees, shall be in proportion to their respective interests in such material. Each party will thereupon be charged individually with the value of the material received or receivable by each party, and corresponding credits will be made by Unit Operator to the joint account. Such credits shall appear in the monthly statement of operations.

3. Sales to Outsiders

Sales to outsiders of material from the joint property shall be credited by Unit Operator to the joint account at the net amount collected by Unit Operator from vendee. Any claims by vendee for defective material or otherwise shall be charged back to the joint account if and when paid by Unit Operator.

IV.

BASIS OF PRICING MATERIAL TRANSFERRED FROM JOINT ACCOUNT

Material purchased by either Unit Operator or Lessees or divided in kind, unless otherwise agreed, shall be valued on the following basis:

1. New Price Defined

New price as used in the following paragraphs shall have the same meaning and application as that used above in Section II, "Basis of Charges to Joint Account".

2. New Material

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

3. Good Used Material

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

- A. At seventy-five per cent (75%) of current new price if material was charged to joint account as new, or
- B. At sixty-five per cent (65%) of current new price if material was originally charged to the joint property as secondhand at seventy-five per cent (75%) of new price.

4. Other Used Material

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

- A. After reconditioning will be further serviceable for original function as good secondhand material (Condition "B"), or
- B. Is serviceable for original function but substantially not suitable for reconditioning.

5. Bad-Order Material

Material and equipment (Condition "D"), which is no longer usable for its original purpose without excessive repair cost but is further usable for some other purpose, shall be priced on a basis comparable with that of items normally used for that purpose.

6. Junk

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

7. Temporarily Used Material

When the use of material is temporary and its service to the joint account does not justify the reduction in price as provided in Paragraph 3 B, above, such material shall be priced on a basis that will leave a net charge to the joint account consistent with the value of the service rendered.

V.

INVENTORIES

1. Periodic Inventories, Notice and Representation

At reasonable intervals, inventories shall be taken by Unit Operator of the joint account material, which shall include all such material as is ordinarily considered controllable by operators of oil and gas properties.

Written notice of intention to take inventory shall be given by Unit Operator at least thirty (30) days before any inventory is to begin so that Lessees may be represented when any inventory is taken.

Failure of any Lessee to be represented at an inventory shall bind such Lessee to accept the inventory taken by Unit Operator, who shall in that event furnish such Lessee with a copy thereof.

2. Reconciliation and Adjustment of Inventories

Reconciliation of inventory with charges to the joint account shall be made by each party at interest, and a list of overages and shortages shall be jointly determined by the parties participating in the inventory.

Inventory adjustments shall be made by Unit Operator with the joint account for overages and shortages, but Unit Operator shall be held accountable to Lessee only for shortages due to lack of reasonable diligence.

3. Special Inventories

Special inventories may be taken, at the expense of the purchaser, whenever there is any sale or change of interest in the joint property; and it shall be the duty of the party selling to notify all other parties hereto as quickly as possible after the transfer of interest takes place. In such cases, both the seller and the purchaser shall be represented and shall be governed by the inventory so taken.

