



CAUTION

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Archives and Records Staff

MF064848

#1041

State Lease	Control	Base File	County
MF064848	15-133163	155578	LOVING

Survey	H & T C R Y CO	
Block	33	
Block Name		
Township		
Section/Tract	76	
Land Part	NE/175 AC.	
Part Description	NE & SW PARTS	
Acres	506	
Depth Below	Depth Above	Depth Other
0	0	
Name	FOREST OIL CORP	
Lease Date	8/4/1970	
Primary Term	5 yrs	
Bonus (\$)	\$43,035.30	
Rental (\$)	\$5.00	
Lease Royalty	0.2000	

Leasing: _____

Analyst: _____

Maps: _____

GIS:

F901014

2 units
(Catfish ~~W.L.R.~~)
*

331 ACRES IN W.L.R.
UNIT EXPIRED
3-31-76
BF 11-22-76

g/w
Prof
g/w

*Extension Bonus	8-4-75/9-3-75	\$3000.00
①	✓ ✓ ✓ ✓	3,000.00
*	✓ ✓ 9-3-75/10-3-75	3,000.00
①	✓ ✓ ✓ ✓	3,000.00
*	✓ ✓ 10-2-75/11-2-75	3,000.00
①	✓ ✓ ✓ ✓	3,000.00
*	✓ ✓ 11-2-75/12-2-75	3,000.00
①	✓ ✓ ✓ ✓	3,000.00
*	✓ ✓ 12-2-75/1-1-76	3,000.00
①	✓ ✓ ✓ ✓	3,000.00
*	✓ ✓ 1-1-76/1-31-76	3,000.00
①	✓ ✓ 1-1-76/1-31-76	3,000.00
*	✓ ✓ 1-31-76/2-1-76	3,000.00
①	✓ ✓ 1-31-76/2-1-76	3,000.00
*	✓ ✓ 3-1-76/3-31-76	\$3,000.00
①		

STATE LEASE 4/151

COUNTY: Loving 8 Ward

TRACT : Sec. 76, Blk. 33, H&TC Ry. Co.

PART : NE & SW Pts.

ACRES : 506 175

LESSEE : Forest Oil Corporation

DATE : 8-4-70

TERM : 5 Years

BONUS : \$43,035.30

RENTAL: \$5.00 2530.00

FILE : 142527

04-01464-9

Legal g/w

Rental g/w

Min. A g/w

Min. M2 g/w

Pay To: _____

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4. RENTAL PAYMENT	7-17-72 8	37. Ltr. fr. Stubbeman, McRae, et al 9-25-75
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8. Ltr to Forest Oil Corp.	4-1-75 gs	41. Extension (Bonus) 10-3-75
9. Ltr to M. M. Slagle, Jr.	7-18-75 gs	see Drilling Affidavit dated 10/10/75 in 64847
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Forest Oil Corp.
Midland, Texas
LF 4-23-75

Cert. of Fact

10-04-83

Cotton, Bledson, Tighe & Dawson
Midland, Texas

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66. Ltr. fr. Stubbeman, et al 12-24-75	85. Ltr. re Trust Oil Corp 5-22-76
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77. Application for Extension 2-26-76 ^{alm}	100 Recon Billing 12/28/2021
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64848

MINERAL LEASE APPLICATION
(Oil and Gas Lease)

To The Commissioner of the General Land Office
and The School Land Board
Austin, Texas

By virtue of Article 5421c, Vernon's Civil Statutes, and other applicable laws, providing for the leasing of river beds and channels, unsold surveyed school lands, and areas within tidewater limits including islands, lakes, salt water lakes, bays, inlets, marshes, reefs, the bed of the sea, and that portion of the Gulf of Mexico within the jurisdiction of the State of Texas, I herewith tender my application for the following area:

91591
91592

Mgl. No.	Survey	Tract	Blk	Tsp	Original Grantee	Acres	Designated Area	County
9 ✓	76	9	33		H & TC Ry Co	506	NE & SW Pts.	Loving

(Only one tract may be included in this application, and it must be described the same as in the advertised list.)

I accept and agree to the terms and requirements of said statutes, and I agree to pay to the State of Texas at the General Land Office, Austin, Texas, 1/6 of the gross production of oil and/or gas, or the value of same that may be produced thereon.

And beginning with the second year of the lease, I agree to pay delay rental in the sum of \$5.00 per acre, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term of my lease.

If production in commercial quantities should be secured within the five year primary term, or any extension thereof, my lease shall continue as long thereafter as oil or gas is produced therefrom in commercial quantities.

IN ADDITION TO THE ABOVE, I HEREBY BID AND ENCLOSE HERewith AS
A CASH BONUS THE SUM OF Forty three thousand thirty five and 30/100

43,035.30 - - - - - DOLLARS.

There is also attached remittance in the amount of Four hundred thirty
and 35/100 - - - - - Dollars, being 1% of the cash bonus offered as a
special sale fee as provided in Article 5382d-1, Vernon's Civil Statutes.

RECEIVED IN THE GENERAL
LAND OFFICE ON OR BEFORE
10 A.M. 8-4-70

(Date)

FOREST OIL CORPORATION ✓

By: J. Creech

(Applicant)

P. O. Box 4486

(Address)

Midland, Texas 79701

(Post Office)

CERTIFICATE

I, Richard H. Kealey, Secretary of the School Land Board, do hereby certify that at a regular meeting of said Board held in the General Land Office, Austin, Texas, on the 4th day of August, A. D., 19 70, the above application No. 61012 was accepted, all of which is shown in Vol. 26, Page _____, of the Minutes of said Board.

Given under my hand this the 4th day of August, A. D., 19 70, at Austin, Texas.

Richard H. Kealey
Secretary of the School Land Board

APPLICATION NO. 61012

The State of Texas General Land Office



Austin, Texas

OIL AND GAS LEASE No. 64848

WHEREAS, Pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and subject to all rules and regulations promulgated by the Commissioner of the General Land Office, pursuant to Article 5366 V.C.S. and other applicable statutes and amendments thereto, governing drilling and producing operations, and other applicable laws, the following area, to-wit:

NE & SW Pts. of Section 76, Block 33, H & TC Ry. Co. Survey, Loving County, containing 506 acres, as shown on the official map of Loving County now on file in the General Land Office,

was, after being duly advertised, offered for lease on the 4 day of August, 1970, at 10:00 o'clock A.M., by the Commissioner of the General Land Office of the State of Texas and the School Land Board of the State of Texas, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from the above described area.

WHEREAS, After all bids and remittances which were received up to said time have been duly considered by the Commissioner of the General Land Office and the School Land Board at a regular meeting thereof in the General Land Office, on the 4 day of August, 1970, and it was found and determined that _____

FOREST OIL CORPORATION

whose address is P. O. Box 4486, Midland, Texas 79701,
had offered the highest and best bid for a lease of the area above described and is, therefore, entitled to receive a lease thereon.

NOW, THEREFORE, I, JERRY SADLER, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me and in consideration of the payment by the hereinafter designated Lessee, the sum of _____

Forty-Three Thousand Thirty-Five and 30/100 _____ dollars
(\$ **43,035.30**), receipt of which is hereby acknowledged and of the royalties, covenants, stipulations and conditions contained

and hereby agreed to be paid, observed and performed by Lessee, do hereby demise, grant, lease and let unto _____

Forest Oil Corporation

the exclusive right to prospect for, produce and take oil and/or gas from the aforesaid area for a period of FIVE (5) YEARS and as long thereafter as oil and/or gas is produced therefrom in commercial quantities, upon the following terms and conditions, to-wit:

1. Subject to the other provisions hereof, this lease shall be for a primary term of FIVE (5) YEARS and as long thereafter as oil or gas is produced in paying quantities.

2. If no well be commenced on the land hereby leased on or before the 4 day of August, 1971, this lease shall terminate as to both parties unless the Lessee on or before said date shall pay or tender to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, the sum of _____

Five and No/100 _____ dollars
(\$ **5.00**), per acre, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof.

3. When production of oil and/or gas is secured, the Lessee agrees to pay or cause to be paid to the Commissioner of the General Land Office at Austin, Texas, for the use and benefit of the State of Texas, during the term hereof:

(A) As a royalty on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, one-sixth (1/6)

of the value of the gross production. Said value shall be based on the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area, or the prevailing market price thereof in the general area, or the proceeds of the sale thereof, whichever is the greatest. Lessee agrees that before any gas produced from the land hereby leased is sold, used or processed in a plant, it will be run through an adequate oil and gas separator on the lease of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of Lessor, the requirement that such gas be run through such a separator or other equipment may be waived upon such terms and conditions as prescribed by Lessor.

(B) As royalty on any gas, which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well and sold by Lessee, or used by Lessee for purposes which are not exempted from royalty payments (except as provided herein with respect to gas processed in a plant on a percentage basis for the extraction of gasoline,

liquid hydrocarbons or other products) one-sixth (1/6) of the value of the gross production, but in no event shall the royalty be based on a price of less than the highest market price paid or offered for gas in the general area, or the price paid or offered to the producer, whichever is the greater; provided that the maximum base pressure in measuring the gas under this lease contract shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to test made by the Balance Method.

(C) As royalty on any gas processed for the recovery of gasoline or other liquid hydrocarbons, _____

one-sixth (1/6) of the value of the gas processed. Lessee agrees that the value of such processed gas shall be the value of the liquid hydrocarbons recovered therefrom, plus one hundred per cent (100%) of the value of this lease's proportionate share (being that portion returnable to this lease) of the residue sold from the plant. The State's royalty shall be paid on the basis of the average selling price of residue gas and the respective grades of liquid hydrocarbons, F.O.B. at the plant in which said gas is used for the same month in which the gas was delivered, provided that the price shall not be less than the average of prices quoted in one or more of the leading periodicals of the industry for similar grades of liquid hydrocarbons and residue gas in the territory, or the price accruing to the Lessee, whichever is the greater. The value of all liquid hydrocarbons shall be determined as follows:

(1) On the basis of 50% of the value of the liquid hydrocarbon content of the gas as determined at the wellhead by the split-stream method of testing or the most approved method of testing being used by the industry at the time of testing, or

(2) That per cent of the value of liquid hydrocarbon content of the gas which accrues to the Lessee, or

(3) 50% of the value of liquid hydrocarbons actually recovered, or

(4) That per cent of the value of the liquid hydrocarbons actually recovered which accrues to the Lessee; whichever is the greatest.

(D) As a royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry" or any other gas, by fractionating, burning or any other processing, the value of

one-sixth (1/6) of the production used or disposed of by sale or otherwise by Lessee, the value to be determined as follows:

(1) On the basis of the average sale price of the product, F.O.B. at the plant for the same month in which the production is secured, or

(2) On the basis of the average price received by the seller for any of the by-products at the point of delivery, or

(3) On the basis of the average of prices quoted in one or more of the leading periodicals of the industry for similar grades of said products in the territory; whichever is the greatest.

(E) No royalty shall be payable on gas used by Lessee for operations on the leased premises. No royalty shall be payable on any gas as may represent Lessee's proportionate share of any fuel used in compressing such gas or as fuel in any processing plant or other facility. Subject to the consent in writing of the Commissioner of the General Land Office, Lessee may inject gas into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed, and no royalties shall be payable on the gas so injected until such time as the same may thereafter be produced and sold or used by Lessee in such manner as to entitle Lessor to a royalty thereon under the royalty provisions of this lease.

(F) Lessee agrees to use reasonable diligence to prevent the underground or above ground waste of oil or gas, and to avoid the physical waste of gas produced from the leased premises, Lessee shall either market said gas or use same beneficially in operations on the leased premises. Commencing ninety (90) days from the date of initial production hereunder, if waste of gas occurs

by blowing, flaring, release, venting, escape or otherwise, Lessee shall pay Lessor a royalty of _____

one-sixth (1/6) of the market value thereof, or in the event that there may not be a market for such gas, the royalty shall be based on the market value of gas of comparable quality in the closest vicinity where there is a market for such gas, but in no event shall such value be less than ten cents (10c) per M.C.F.

4. All royalties shall be paid to the Commissioner of the General Land Office at Austin, Texas, during the life of this lease, on or before the 30th day of each succeeding month, for the month in which the oil and/or gas was produced, and shall be accompanied by a sworn statement of the owner, manager, or other authorized agent, showing the gross amount of oil produced since the last report, and the amount of all dry gas, residue gas, casinghead gas, and other products produced therefrom, sold or used for the manufacture of gasoline, and the market value of the oil, dry gas, residue gas, casinghead gas, and other products produced therefrom, together with a copy of all daily gauges of tanks, meter readings, pipeline receipts, gas line receipts and other checks and memoranda of the amounts produced and put into pipelines, tanks or pools and gas lines or gas storage. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office.

5. The books and accounts, receipts and discharges of all wells, tanks, pools, meters, pipelines and all contracts and other records pertaining to the production, transportation, sale and marketing of the oil and gas produced on said premises shall at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, or the representative of any of them. The State shall have a first lien upon all oil and/or gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due under this lease.

6. Notwithstanding any provision of this lease to the contrary, after a well producing or capable of producing, oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production therefrom.

7. If oil and/or gas should be produced in commercial quantities in a well on land privately owned or on State land leased at a lesser royalty, which well is within one thousand (1,000) feet of the area included herein, the Lessee shall, within sixty (60) days after such initial production on such land, begin in good faith and prosecute diligently the drilling of an offset well on this area, and such offset well shall be drilled to such depth as may be necessary to prevent the undue drainage of this area, and the Lessee, manager or driller shall use all means necessary in a good faith effort to make such offset well produce oil and/or gas in commercial quantities.

8. Should the first well or subsequent successive wells drilled on the above described land be a dry hole or dry holes, this lease shall terminate as to both parties, unless, on or before the rental paying date next ensuing after sixty (60) days from the date of completion of such dry hole the Lessee commences the drilling of another well or resumes payment of annual delay rental in the same manner as provided in Paragraph Number 2 in this lease; provided further that should the first well or any subsequent well drilled on the above described land be completed as a shut-in gas well within the primary term hereof the Lessee shall resume payment of annual rental in the same manner as provided in Paragraph Number 2 in this lease on or before the rental paying date next ensuing from the date of completion of such shut-in gas well and the failure to make such annual rental payment shall subject the lease to forfeiture under the provisions of Paragraph Number 14 hereof. If at the expiration of the primary term or at any time thereafter a shut-in gas well is located on the leased premises payments shall be made in accordance with the provisions of Paragraph Number 17 hereof.

9. Whenever the Lessee commences the drilling or reworking of any well or wells upon the above described premises, written notice thereof shall be filed in the General Land Office within five (5) days after spudding in such well, accompanied by a plat of said premises showing the location of such well or wells.

(A) Upon the request of the Commissioner of the General Land Office or his authorized representative, Lessee shall file in the General Land Office carbon copies of all forms and other information filed with the Texas Railroad Commission which pertain to operations on this lease within five (5) days after said filing with the Commission.

(B) Lessee shall have an electrical and/or radioactivity survey made of the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

(C) The Lessee herein agrees, insofar as possible, to supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above described premises, that may be requested by the General Land Office, in addition to those herein expressly provided for.

10. Lessee shall have the right to use such water that may be on the premises, necessary for drilling and operating wells, and shall have the right to use so much of the surface of the land that may be necessary for drilling and operating wells and transporting and marketing the production therefrom, such use to be conducted under conditions of least injury to the surface of the land.

11. In developing this area, the Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. In the event of pollution, the Lessee shall use all means at its disposal to recapture all escaped hydrocarbons or other pollutant and shall be responsible for all damage to public and private properties. Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level off all slush pits and cellars and completely clean up the drilling site of all rubbish thereon. Lessee also shall erect, at a distance not to exceed 25 feet from each well on the premises covered by this lease, a legible sign on which shall be stated the name of operator, the lease designation and the well number. Where two or more wells on the same lease or where wells on two or more leases are connected to the same tank battery, whether by individual flow line connections direct to the tank or tanks or by use of a multiple header system, each line between each well and such tank or header shall be legibly identified at all times, either by a firmly attached tag or plate or an identification properly painted on such line at a distance not to exceed three (3) feet from such tank or header connection. Said signs, tags, plates or other identification markers shall be maintained in a legible condition throughout the term of this lease.

12. The lease may be transferred at any time. All transfers must be recorded in the county where the area is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, accompanied by a filing fee of Three Dollars (\$3.00).

13. The Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by a filing fee of Three Dollars (\$3.00). Such relinquishment will not have the effect of releasing the Lessee from any liability theretofore accrued in favor of the State.

14. If the Lessee should fail or refuse to make payment of any sum due for royalty on the production, within thirty (30) days after it shall become due, or if the Lessee or his authorized agent should knowingly make any false return or false report concerning production, royalty, or drilling or if the Lessee should fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if the Lessee or his agent should fail or refuse to comply with any other rules or regulations adopted by the Commissioner of the General Land Office, or if the Lessee or his agent should refuse the proper authority access to the records pertaining to operations under this lease, or if the Lessee or his authorized agent should knowingly fail or refuse to furnish the log of any well as provided herein, or if Lessee shall knowingly violate any of the material provisions of this lease, this lease shall be subject to forfeiture by the Commissioner of the General Land Office, and when forfeited the area shall again be subject to lease to the highest bidder, under the same regulations controlling the original sale of leases.

15. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative thereto.

16. In the event production of oil or gas on the leased premises after once obtained shall cease from any cause at the expiration of the primary term thereof or at any time or times thereafter, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days thereafter, and the lease shall remain in full force and effect so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation; and if such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect so long as oil or gas is produced therefrom in paying quantities or payment of shut-in gas well royalties or compensatory royalties is made as hereafter provided or as provided elsewhere in the statutes of the State of Texas. Lessee shall give written notice to the General Land Office within five (5) days of any cessation of production.

17. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than \$1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made prior to the expiration of the primary term of this lease or if the primary term

has expired within sixty (60) days after the Lessee shuts in such well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the Lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is occurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease and this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the Lessee of compensatory royalty at the royalty rate provided for herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut-in gas well is situated, such compensatory royalty to be paid monthly to the Commissioner of the General Land Office beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir, provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the Lessee of the obligation of reasonable development, nor of the obligation to drill offset wells as required by law.

18. If, at the expiration of the primary term of this lease, production of oil or gas has not been obtained on the leased premises but drilling operations are being conducted thereon in good faith and in a good and workmanlike manner, the Lessee may, on or before the expiration of the primary term, file in the General Land Office written application to the Commissioner of the General Land Office for a thirty (30) day extension of this lease, accompanied by payment of Three Thousand Dollars (\$3,000.00) if this lease covers six hundred forty (640) acres or less and Six Thousand Dollars (\$6,000.00) if this lease covers more than six hundred forty (640) acres and the Commissioner shall, in writing, extend this lease for a thirty (30) day period from and after the expiration of the primary term and so long thereafter as oil or gas is produced in paying quantities; provided further, that Lessee may, so long as such drilling operations are being conducted, make like application and payment during any thirty (30) day extended period for an additional extension of thirty (30) days and, upon receipt of such application and payment, the Commissioner shall, in writing, again extend this lease so that same shall remain in force for such additional thirty (30) day period and so long thereafter as oil or gas is produced in paying quantities, provided, however, that this lease shall not be extended for more than a total of one hundred eighty (180) days from and after the expiration of the primary term unless production in paying quantities has been obtained.

19. In the event this lease covers a riverbed, Lessee is hereby specifically granted the right of eminent domain and condemnation as provided for in Chapter 40, Acts of the Second Called Session of the 42nd Legislature, and amendments thereto, as a part of the consideration moving to Lessor for the covenants herein made by Lessee.

20. In the event this lease covers land leased under the provisions of Chapter 498, Acts of the 47th Legislature, 1941, no surface location on this area may be closer than six hundred sixty (660) feet from the center of any navigable ship channel, and special permission from the Commissioner of the General Land Office will be necessary to make any surface location between six hundred sixty (660) feet and two thousand one hundred sixty (2,160) feet from the center of any such navigable ship channel. Also in such event this lease shall be subject to all rules and regulations promulgated by the Commissioner of the General Land Office, pursuant to Article 5366 V.C.S. and amendments thereto, governing drilling and producing operations in coastal waters.

21. Upon the termination of this lease, for any cause, the Lessee shall not, in any event, be permitted to remove the casing or any part of the equipment from any producing, dry, or abandoned well or wells without the written consent of the Commissioner of the General Land Office or his authorized representative; nor shall Lessee, without the written consent of said Commissioner or his authorized representative, remove from the leased premises the casing or any other equipment, material, machinery, appliances or property owned by the Lessee and used by the Lessee in the development and production of oil or gas therefrom until all dry or abandoned wells have been plugged and until all slush or refuse pits have been properly filled and all broken or discarded lumber, machinery, or debris shall have been removed from the premises to the satisfaction of the said Commissioner or his authorized representative.

22. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil and/or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, acts of God, or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil and/or gas from the lease premises, provided, however, that nothing herein shall be construed to suspend the payment of rentals during the primary or extended term.

23. The covenants, conditions and agreements contained herein shall extend to and be binding upon the heirs, executors, administrator, successors or assigns of the Lessee herein.

IN TESTIMONY WHEREOF, Witness the signature of the Commissioner of the General Land Office, under the seal there-

of, this 4 day of August, 1970.

ORIGINAL SIGNED

JERRY SADLER

JERRY SADLER

COMMISSIONER OF THE GENERAL LAND OFFICE

Approved
Audit ME
Legal ME
Engineering ME
Geology ME
Execution ME

DATE AUG 4 1970 BY g
JERRY SADLER, COMMISSIONER
OIL AND GAS LEASE NO. 81810

DETACH AND RETAIN FOR YOUR RECORDS

WE ENCLOSE HERewith OUR CHECK PAYABLE TO YOUR ORDER IN FULL PAYMENT OR LEASE RENTAL WHICH IS PAID THE PARTY OR PARTIES NAMED BELOW UNDER THE TERMS OF AN OIL AND GAS LEASE DESCRIBED BELOW FOR THE PERIOD STATED: NO. **18441**

State of Texas

Commissioner of the General Land Office

State Lease #64848

\$2,530.00

RECEIVED

JUL 19 1971

General Land Office

BLK. & LSE. NO. **Loving, Reeves & Ward-Mentone**

4211-4

— IN FULL PAYMENT OF LEASE RENTAL FOR

THE 12 MONTHS PERIOD BEGINNING **August 4, 1971**

COVERING **506 acres in the NE & SW Pts. of Sec. 76, Blk. 33, H&TC Ry. Co. Sy., Loving County, Texas.**

96020

FULLY DESCRIBED IN OIL AND GAS LEASE DATED

August 4, 1970

RECORDED IN VOL. **32** PAGE **304**

Loving

PARISH/COUNTY Texas

PLEASE STAMP, SIGN, DATE (YOUR RECEIVING DATE) AND RETURN THE ENCLOSED (GREEN) DEPOSIT RECEIPT BY NEXT MAIL IN THE ENCLOSED STAMPED ADDRESSED ENVELOPE.

FOREST OIL CORPORATION

SAN ANTONIO, TEXAS 78205

(3)

M.F. 64848

Rental Payment

Filed 7/19 1971

BOB ARMSTRONG, COMMISSIONER

[Signature]

Clerk

NO. **20576**

DETACH AND RETAIN FOR YOUR RECORDS

WE ENCLOSE HERewith OUR CHECK PAYABLE TO YOUR ORDER IN FULL PAYMENT OF LEASE RENTAL WHICH IS PAID THE PARTY OR PARTIES NAMED BELOW UNDER THE TERMS OF AN OIL AND GAS LEASE DESCRIBED BELOW FOR THE PERIOD STATED:

State of Texas
Commissioner of the General Land Office
State Lease #64848 \$2,530.00

RECEIVED

JUL 17 1972

General Land Office

AREA	Loving, Reeves, & Ward-Mentone
LEASE NO.	4211-4
FOR 12 MONTH PERIOD FROM	August 4, 1972
ACRES (MORE OR LESS)	506
COUNTY OR PARISH	Loving
STATE	Texas
LEASE DATED	August 4, 1970
RECORDED: VOL.	32
PAGE	304

101385

PLEASE STAMP, SIGN, DATE (YOUR RECEIVING DATE) AND RETURN THE ENCLOSED (GREEN) DEPOSIT RECEIPT BY NEXT MAIL IN THE ENCLOSED STAMPED ADDRESSED ENVELOPE.

FOREST OIL CORPORATION
1300 N B C Bldg. San Antonio, Texas 78205

④

M.F.

64848

Rental Payment

Filed 7-17 1972

BOB ARMSTRONG, COMMISSIONER

NS
Clerk

NO. **23359**

DETACH AND RETAIN FOR YOUR RECORDS

WE ENCLOSE HERewith OUR CHECK PAYABLE TO YOUR ORDER IN FULL PAYMENT OF LEASE RENTAL WHICH IS PAID THE PARTY OR PARTIES NAMED BELOW UNDER THE TERMS OF AN OIL AND GAS LEASE DESCRIBED BELOW FOR THE PERIOD STATED:

State Lease 64848

\$2,530.00

RECEIVED

JUL 16 1973

General Land Office

AREA

Loving, Reeves & Ward-
Mentone

97271

LEASE NO.

4211-4

FOR 12 MONTH PERIOD FROM

August 4, 1973

ACRES (MORE OR LESS)

506

COUNTY OR PARISH

Loving

STATE

Texas

LEASE DATED

August 4, 1970

RECORDED: VOL.

32

PAGE

304

12

PLEASE STAMP, SIGN, DATE (YOUR RECEIVING DATE) AND RETURN THE ENCLOSED (GREEN) DEPOSIT RECEIPT BY NEXT MAIL IN THE ENCLOSED STAMPED ADDRESSED ENVELOPE.

FOREST OIL CORPORATION
1300 N B C Bldg. San Antonio, Texas 78205

⑤ M.F. 64848

Rental Payment

Filed 7-16 19 75

BOB ARMSTRONG, COMMISSIONER

718
Clerk

NO. 27978

WE ENCLOSE HERewith OUR CHECK PAYABLE TO YOUR ORDER IN FULL PAYMENT OF LEASE RENTAL WHICH IS PAID THE PARTY OR PARTIES NAMED BELOW UNDER THE TERMS OF AN OIL AND GAS LEASE DESCRIBED BELOW FOR THE PERIOD STATED:

State Lease 64848

\$2,530.00

RECEIVED
JUL 16 1974
General Land Office

AREA	Loving, Reeves & Ward- Mentone	
LEASE NO.	4211-4	
FOR 12 MONTH PERIOD FROM	August 4, 1974	
ACRES (MORE OR LESS)	506	
COUNTY OR PARISH	Loving	113192
STATE	Texas	
LEASE DATED	August 4, 1970	
RECORDED: VOL.	32	
PAGE	304	121

PLEASE STAMP, SIGN, DATE (YOUR RECEIVING DATE) AND RETURN THE ENCLOSED (GREEN) DEPOSIT RECEIPT BY NEXT MAIL IN THE ENCLOSED STAMPED ADDRESSED ENVELOPE.

FOREST OIL CORPORATION
1300 N B C Bldg. San Antonio, Texas 78205

6 M.F. 64848

Rental Payment

Filed 8-16 19 74
BOB ARMSTRONG, COMMISSIONER

712
Clerk

FOREST OIL CORPORATION



Forest Oil Building. P.O. Box 1916 Midland, Texas 79701

March 28, 1975

P4-6723 WT/Loving, Reeves, Ward - Mentone
L.4211-4 State of Texas
NE & SW parts of Section 76, Block 33,
H&TC Ry. Co. Survey,
Loving County, Texas

RECEIVED

MAR 29 1975

General Land Office

General Land Office
Austin, Texas 78701

Attention: Mr. Bob Armstrong

Dear Mr. Armstrong:

In reference to captioned subject, enclosed are the following:

- 1) Copy of recorded Oil & Gas Lease #64848 from the State of Texas to Forest Oil Corporation dated August 4, 1970.
- 2) Copy of Supplemental Title Opinion covering captioned, from Stubbeman, McRae, Sealy, Laughlin & Browder to Forest Oil Corporation dated November 13, 1970.

As you can see Requirement #2 of the Title Opinion, State Oil & Gas Lease #64848 does not reflect that 20 acres of the leased premises are located in Ward County. In this regard, would you please issue a substitute Oil & Gas Lease for #64848 to Forest Oil Corporation, reflecting the correct division and location of the leased acreage between Loving and Ward Counties which may be then recorded in both Counties, giving notice to all parties.

Yours very truly,

FOREST OIL CORPORATION

Doug Stillwagon
Doug Stillwagon
Landman

DS:mj
Enclosure

The State of Texas General Land Office



Austin, Texas

OIL AND GAS LEASE No. 64848

WHEREAS, Pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and subject to all rules and regulations promulgated by the Commissioner of the General Land Office, pursuant to Article 5366 V.C.S. and other applicable statutes and amendments thereto, governing drilling and producing operations, and other applicable laws, the following area, to-wit:

NE & SW Pts. of Section 76, Block 33, H & TC Ry. Co. Survey, Loving County, containing 506 acres, as shown on the official map of Loving County now on file in the General Land Office, of Ward

was, after being duly advertised, offered for lease on the 4 day of August, 1970, at 10:00 o'clock A.M., by the Commissioner of the General Land Office of the State of Texas and the School Land Board of the State of Texas, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from the above described area.

WHEREAS, After all bids and remittances which were received up to said time have been duly considered by the Commissioner of the General Land Office and the School Land Board at a regular meeting thereof in the General Land Office, on the 4 day of August, 1970, and it was found and determined that _____

FOREST OIL CORPORATION

whose address is P. O. Box 4486, Midland, Texas 79701,
had offered the highest and best bid for a lease of the area above described and is, therefore, entitled to receive a lease thereon.

NOW, THEREFORE, I, JERRY SADLER, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me and in consideration of the payment by the hereinafter designated Lessee, the sum of _____

Forty-Three Thousand Thirty-Five and 30/100----- dollars
(\$ 43,035.30), receipt of which is hereby acknowledged and of the royalties, covenants, stipulations and conditions contained

and hereby agreed to be paid, observed and performed by Lessee, do hereby demise, grant, lease and let unto _____

Forest Oil Corporation

the exclusive right to prospect for, produce and take oil and/or gas from the aforesaid area for a period of FIVE (5) YEARS and as long thereafter as oil and/or gas is produced therefrom in commercial quantities, upon the following terms and conditions, to-wit:

1. Subject to the other provisions hereof, this lease shall be for a primary term of FIVE (5) YEARS and as long thereafter as oil or gas is produced in paying quantities.

2. If no well be commenced on the land hereby leased on or before the 4 day of August, 1971, this lease shall terminate as to both parties unless the Lessee on or before said date shall pay or tender to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, the sum of _____

Five and No/100----- dollars
(\$ 5.00), per acre, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof.

3. When production of oil and/or gas is secured, the Lessee agrees to pay or cause to be paid to the Commissioner of the General Land Office at Austin, Texas, for the use and benefit of the State of Texas, during the term hereof:

(A) As a royalty on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, one-sixth (1/6)

of the value of the gross production. Said value shall be based on the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area, or the prevailing market price thereof in the general area, or the proceeds of the sale thereof, whichever is the greatest. Lessee agrees that before any gas produced from the land hereby leased is sold, used or processed in a plant, it will be run through an adequate oil and gas separator on the lease of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of Lessor, the requirement that such gas be run through such a separator or other equipment may be waived upon such terms and conditions as prescribed by Lessor.

(B) As royalty on any gas, which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well and sold by Lessee, or used by Lessee for purposes which are not exempted from royalty payments (except as provided herein with respect to gas processed in a plant on a percentage basis for the extraction of gasoline,

liquid hydrocarbons or other products) one-sixth (1/6) of the value of the gross production, but in no event shall the royalty be based on a price of less than the highest market price paid or offered for gas in the general area, or the price paid or offered to the producer, whichever is the greater; provided that the maximum base pressure in measuring the gas under this lease contract shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to test made by the Balance Method.

(C) As royalty on any gas processed for the recovery of gasoline or other liquid hydrocarbons, one-sixth (1/6)

of the value of the gas processed. Lessee agrees that the value of such processed gas shall be the value of the liquid hydrocarbons recovered therefrom, plus one hundred per cent (100%) of the value of this lease's proportionate share (being that portion returnable to this lease) of the residue sold from the plant. The State's royalty shall be paid on the basis of the average selling price of residue gas and the respective grades of liquid hydrocarbons, F.O.B. at the plant in which said gas is used for the same month in which the gas was delivered, provided that the price shall not be less than the average of prices quoted in one or more of the leading periodicals of the industry for similar grades of liquid hydrocarbons and residue gas in the territory, or the price accruing to the Lessee, whichever is the greater. The value of all liquid hydrocarbons shall be determined as follows:

(1) On the basis of 50% of the value of the liquid hydrocarbon content of the gas as determined at the wellhead by the split-stream method of testing or the most approved method of testing being used by the industry at the time of testing, or

(2) That per cent of the value of liquid hydrocarbon content of the gas which accrues to the Lessee, or

(3) 50% of the value of liquid hydrocarbons actually recovered, or

(4) That per cent of the value of the liquid hydrocarbons actually recovered which accrues to the Lessee; whichever is the greatest.

(D) As a royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry" or any other gas, by fractionating, burning or any other processing, the value of one-sixth (1/6)

of the production used or disposed of by sale or otherwise by Lessee, the value to be determined as follows:

(1) On the basis of the average sale price of the product, F.O.B. at the plant for the same month in which the production is secured, or

(2) On the basis of the average price received by the seller for any of the by-products at the point of delivery, or

(3) On the basis of the average of prices quoted in one or more of the leading periodicals of the industry for similar grades of said products in the territory; whichever is the greatest.

(E) No royalty shall be payable on gas used by Lessee for operations on the leased premises. No royalty shall be payable on any gas as may represent Lessee's proportionate share of any fuel used in compressing such gas or as fuel in any processing plant or other facility. Subject to the consent in writing of the Commissioner of the General Land Office, Lessee may inject gas into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed, and no royalties shall be payable on the gas so injected until such time as the same may thereafter be produced and sold or used by Lessee in such manner as to entitle Lessor to a royalty thereon under the royalty provisions of this lease.

(F) Lessee agrees to use reasonable diligence to prevent the underground or above ground waste of oil or gas, and to avoid the physical waste of gas produced from the leased premises, Lessee shall either market said gas or use same beneficially in operations on the leased premises. Commencing ninety (90) days from the date of initial production hereunder, if waste of gas occurs

by blowing, flaring, release, venting, escape or otherwise, Lessee shall pay Lessor a royalty of _____

one-sixth (1/6) of the market value thereof, or in the event that there may not be a market for such gas, the royalty shall be based on the market value of gas of comparable quality in the closest vicinity where there is a market for such gas, but in no event shall such value be less than ten cents (10c) per M.C.F.

4. All royalties shall be paid to the Commissioner of the General Land Office at Austin, Texas, during the life of this lease, on or before the 30th day of each succeeding month, for the month in which the oil and/or gas was produced, and shall be accompanied by a sworn statement of the owner, manager, or other authorized agent, showing the gross amount of oil produced since the last report, and the amount of all dry gas, residue gas, casinghead gas, and other products produced therefrom, sold or used for the manufacture of gasoline, and the market value of the oil, dry gas, residue gas, casinghead gas, and other products produced therefrom, together with a copy of all daily gauges of tanks, meter readings, pipeline receipts, gas line receipts and other checks and memoranda of the amounts produced and put into pipelines, tanks or pools and gas lines or gas storage. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office.

5. The books and accounts, receipts and discharges of all wells, tanks, pools, meters, pipelines and all contracts and other records pertaining to the production, transportation, sale and marketing of the oil and gas produced on said premises shall at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, or the representative of any of them. The State shall have a first lien upon all oil and/or gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due under this lease.

6. Notwithstanding any provision of this lease to the contrary, after a well producing or capable of producing, oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production therefrom.

RECEIVED
MAR 29 1975

7. If oil and/or gas should be produced in commercial quantities in a well on land privately owned or on State land leased at a lesser royalty, which well is within one thousand (1,000) feet of the area included herein, the Lessee shall, within sixty (60) days after such initial production on such land, begin in good faith and prosecute diligently the drilling of an offset well on this area, and such offset well shall be drilled to such depth as may be necessary to prevent the undue drainage of this area, and the Lessee, manager or driller shall use all means necessary in a good faith effort to make such offset well produce oil and/or gas in commercial quantities.

8. Should the first well or subsequent successive wells drilled on the above described land be a dry hole or dry holes, this lease shall terminate as to both parties, unless, on or before the rental paying date next ensuing after sixty (60) days from the date of completion of such dry hole the Lessee commences the drilling of another well or resumes payment of annual delay rental in the same manner as provided in Paragraph Number 2 in this lease; provided further that should the first well or any subsequent well drilled on the above described land be completed as a shut-in gas well within the primary term hereof the Lessee shall resume payment of annual rental in the same manner as provided in Paragraph Number 2 in this lease on or before the rental paying date next ensuing from the date of completion of such shut-in gas well and the failure to make such annual rental payment shall subject the lease to forfeiture under the provisions of Paragraph Number 14 hereof. If at the expiration of the primary term or at any time thereafter a shut-in gas well is located on the leased premises payments shall be made in accordance with the provisions of Paragraph Number 17 hereof.

9. Whenever the Lessee commences the drilling or reworking of any well or wells upon the above described premises, written notice thereof shall be filed in the General Land Office within five (5) days after spudding in such well, accompanied by a plat of said premises showing the location of such well or wells.

(A) Upon the request of the Commissioner of the General Land Office or his authorized representative, Lessee shall file in the General Land Office carbon copies of all forms and other information filed with the Texas Railroad Commission which pertain to operations on this lease within five (5) days after said filing with the Commission.

(B) Lessee shall have an electrical and/or radioactivity survey made of the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

(C) The Lessee herein agrees, insofar as possible, to supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above described premises, that may be requested by the General Land Office, in addition to those herein expressly provided for.

10. Lessee shall have the right to use such water that may be on the premises, necessary for drilling and operating wells, and shall have the right to use so much of the surface of the land that may be necessary for drilling and operating wells and transporting and marketing the production therefrom, such use to be conducted under conditions of least injury to the surface of the land.

11. In developing this area, the Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. In the event of pollution, the Lessee shall use all means at its disposal to recapture all escaped hydrocarbons or other pollutant and shall be responsible for all damage to public and private properties. Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level off all slush pits and cellars and completely clean up the drilling site of all rubbish thereon. Lessee also shall erect, at a distance not to exceed 25 feet from each well on the premises covered by this lease, a legible sign on which shall be stated the name of operator, the lease designation and the well number. Where two or more wells on the same lease or where wells on two or more leases are connected to the same tank battery, whether by individual flow line connections direct to the tank or tanks or by use of a multiple header system, each line between each well and such tank or header shall be legibly identified at all times, either by a firmly attached tag or plate or an identification properly painted on such line at a distance not to exceed three (3) feet from such tank or header connection. Said signs, tags, plates or other identification markers shall be maintained in a legible condition throughout the term of this lease.

12. The lease may be transferred at any time. All transfers must be recorded in the county where the area is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, accompanied by a filing fee of Three Dollars (\$3.00).

13. The Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by a filing fee of Three Dollars (\$3.00). Such relinquishment will not have the effect of releasing the Lessee from any liability theretofore accrued in favor of the State.

14. If the Lessee should fail or refuse to make payment of any sum due for royalty on the production, within thirty (30) days after it shall become due, or if the Lessee or his authorized agent should knowingly make any false return or false report concerning production, royalty, or drilling or if the Lessee should fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if the Lessee or his agent should fail or refuse to comply with any other rules or regulations adopted by the Commissioner of the General Land Office, or if the Lessee or his agent should refuse the proper authority access to the records pertaining to operations under this lease, or if the Lessee or his authorized agent should knowingly fail or refuse to furnish the log of any well as provided herein, or if Lessee shall knowingly violate any of the material provisions of this lease, this lease shall be subject to forfeiture by the Commissioner of the General Land Office, and when forfeited the area shall again be subject to lease to the highest bidder, under the same regulations controlling the original sale of leases.

15. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative thereto.

16. In the event production of oil or gas on the leased premises after once obtained shall cease from any cause at the expiration of the primary term thereof or at any time or times thereafter, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days thereafter, and the lease shall remain in full force and effect so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation; and if such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect so long as oil or gas is produced therefrom in paying quantities or payment of shut-in gas well royalties or compensatory royalties is made as hereafter provided or as provided elsewhere in the statutes of the State of Texas. Lessee shall give written notice to the General Land Office within five (5) days of any cessation of production.

17. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than \$1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made prior to the expiration of the primary term of this lease or if the primary term

has expired within sixty (60) days after the Lessee shuts in such well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the Lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is occurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease and this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the Lessee of compensatory royalty at the royalty rate provided for herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut-in gas well is situated, such compensatory royalty to be paid monthly to the Commissioner of the General Land Office beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir, provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the Lessee of the obligation of reasonable development, nor of the obligation to drill offset wells as required by law.

18. If, at the expiration of the primary term of this lease, production of oil or gas has not been obtained on the leased premises but drilling operations are being conducted thereon in good faith and in a good and workmanlike manner, the Lessee may, on or before the expiration of the primary term, file in the General Land Office written application to the Commissioner of the General Land Office for a thirty (30) day extension of this lease, accompanied by payment of Three Thousand Dollars (\$3,000.00) if this lease covers six hundred forty (640) acres or less and Six Thousand Dollars (\$6,000.00) if this lease covers more than six hundred forty (640) acres and the Commissioner shall, in writing, extend this lease for a thirty (30) day period from and after the expiration of the primary term and so long thereafter as oil or gas is produced in paying quantities; provided further, that Lessee may, so long as such drilling operations are being conducted, make like application and payment during any thirty (30) day extended period for an additional extension of thirty (30) days and, upon receipt of such application and payment, the Commissioner shall, in writing, again extend this lease so that same shall remain in force for such additional thirty (30) day period and so long thereafter as oil or gas is produced in paying quantities, provided, however, that this lease shall not be extended for more than a total of one hundred eighty (180) days from and after the expiration of the primary term unless production in paying quantities has been obtained.

19. In the event this lease covers a riverbed, Lessee is hereby specifically granted the right of eminent domain and condemnation as provided for in Chapter 40, Acts of the Second Called Session of the 42nd Legislature, and amendments thereto, as a part of the consideration moving to Lessor for the covenants herein made by Lessee.

20. In the event this lease covers land leased under the provisions of Chapter 498, Acts of the 47th Legislature, 1941, no surface location on this area may be closer than six hundred sixty (660) feet from the center of any navigable ship channel, and special permission from the Commissioner of the General Land Office will be necessary to make any surface location between six hundred sixty (660) feet and two thousand one hundred sixty (2,160) feet from the center of any such navigable ship channel. Also in such event this lease shall be subject to all rules and regulations promulgated by the Commissioner of the General Land Office, pursuant to Article 5366 V.C.S. and amendments thereto, governing drilling and producing operations in coastal waters.

21. Upon the termination of this lease, for any cause, the Lessee shall not, in any event, be permitted to remove the casing or any part of the equipment from any producing, dry, or abandoned well or wells without the written consent of the Commissioner of the General Land Office or his authorized representative; nor shall Lessee, without the written consent of said Commissioner or his authorized representative, remove from the leased premises the casing or any other equipment, material, machinery, appliances or property owned by the Lessee and used by the Lessee in the development and production of oil or gas therefrom until all dry or abandoned wells have been plugged and until all slush or refuse pits have been properly filled and all broken or discarded lumber, machinery, or debris shall have been removed from the premises to the satisfaction of the said Commissioner or his authorized representative.

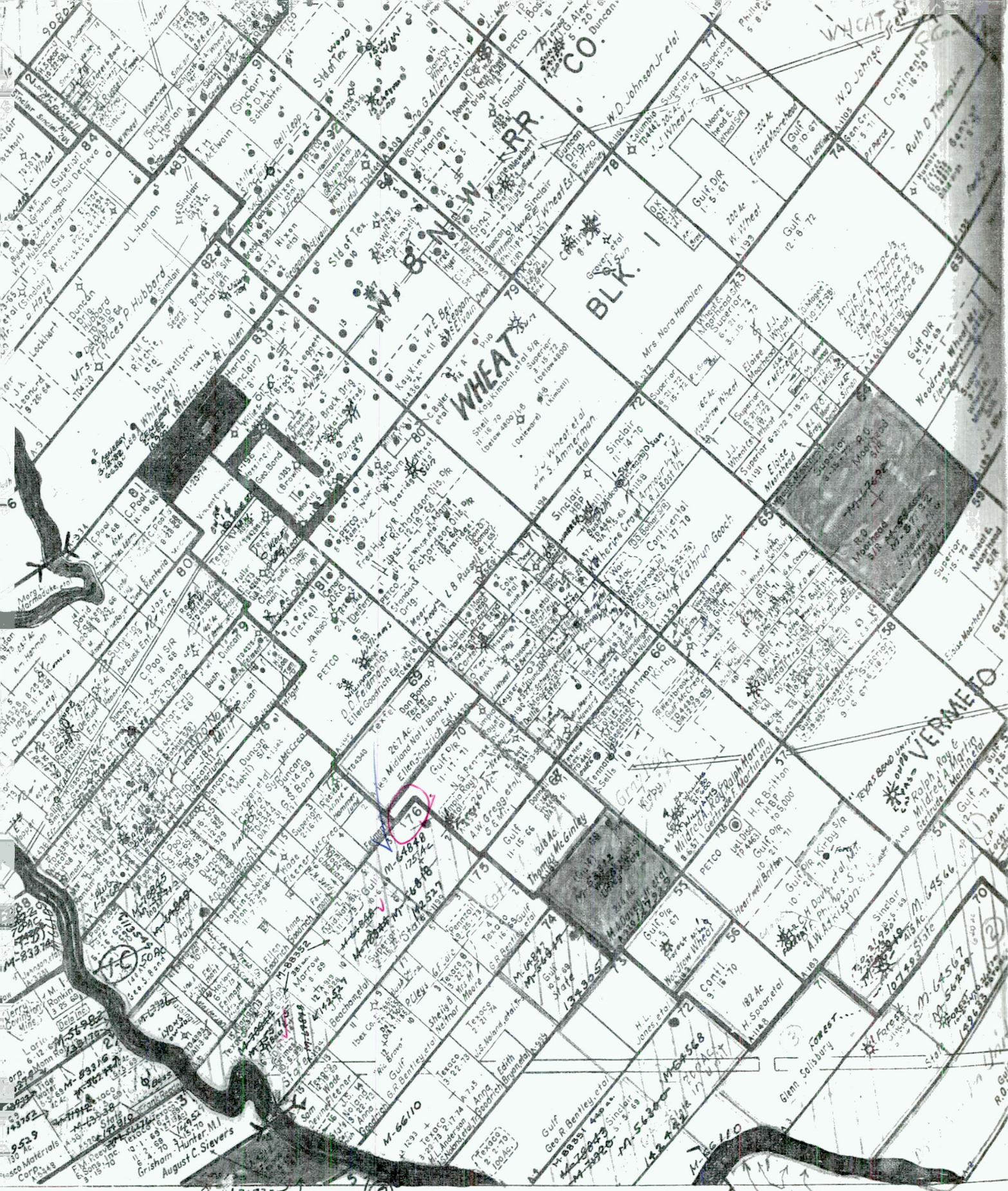
22. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil and/or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, acts of God, or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil and/or gas from the lease premises, provided, however, that nothing herein shall be construed to suspend the payment of rentals during the primary or extended term.

23. The covenants, conditions and agreements contained herein shall extend to and be binding upon the heirs, executors, administrator, successors or assigns of the Lessee herein.

IN TESTIMONY WHEREOF, Witness the signature of the Commissioner of the General Land Office, under the seal thereof, this 4 day of August, 1970

Approved
 Audit me
 Legal HR
 Engineering DM
 Geology W
 Execution JH

JERRY SADLER
 COMMISSIONER OF THE GENERAL LAND OFFICE



131832
14-53979
14-53980
14-57326
100 AL.
PREPARED BY
M-66110 M-74700 8-A
55 AC
Midland Map Company

Box 1211 * 106 N. Marienfeld * Phone Mu 2-1603

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
F. H. PANNILL
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
WM. M. COTTON
JAMES L. PARQUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
ROBERT C. BLEDSOE
CHARLES L. TIGHE
RUSH MOODY, JR.
WALTER K. BOYD
HARRELL FELDT
RICHARD T. PRIGMORE
WM. C. MORROW
WAYNE GIBBENS
SMITH RAY
TEVIS HERD
ALVIN WALVOORD, JR.
ROBERT MICHAEL CLARK

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER
ATTORNEYS AT LAW

MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A. C. 915 682-1616

RECEIVED
MAR 29 1975
General Land Office

AUSTIN, TEXAS 78701
902 VAUGHN BLDG.
P. O. BOX 2263
A. C. 512 476-3502



November 13, 1970

Forest Oil Corporation
Forest Oil Building
Midland, Texas 79701

WT/Loving-Reeves-Ward
Mentone P4-6723, L-4211-4

Re: Supplemental title opinion on oil and gas lease from the
STATE OF TEXAS covering the following described land in
Loving County, Texas:

NE and SW Pts. of Section 76, Block 33, H&TC
Ry. Co. Survey, containing 506 acres, as shown
on the official map of Loving County now on file
in the General Land Office

Gentlemen:

Our original lease purchase title opinion to you on
the above land was dated September 25, 1970. Since said date we
have been furnished certain curative material which we have examined
and shall identify in connection with the title requirement to which
it pertains as follows:

Requirement No. 1:

Satisfied by Certificate of Facts from the General Land
Office dated October 27, 1970.

Requirement No. 2:

This requested that you make certain that your conclusion
as to the location of this land on the ground gibes with that of the
General Land Office, and further pointed out the difference between
the land description contained in the lease and that contained in the
abstract.

In the next to the last paragraph at page two of the
Certificate of Facts submitted there is a statement that 486 acres
of the land under examination are in Loving County and 20 acres are
in Ward County. You will note that the lease did not mention the
land being in Ward County, and further, we did not have abstracts
covering the Ward County Records. It would not be amiss to request
the State of Texas to issue you an in lieu of and in substitution
for lease showing that this land is in both Loving and Ward Counties,
Texas, and we also suggest that prior to drilling operations, it
might be advisable to obtain an abstract compiled from the Ward
County records covering the 20-acre tract that appears to be located
in Ward County.

Respectfully submitted,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By:

Rector Cannon
Rector Cannon

RC:db
cc: Legal Department

⑦

m-64848

Ltr for

Forest oil corp.

dated 3-28-75 gsw

April 1, 1975

Forest Oil Corporation
P. O. Box 1916
Midland, Texas 79701

Attention: Mr. Doug Stillwagon

Re: State Lease M-64848
NE & SW parts of Section 76, Block 33
H&TC Ry. Co. Survey
Loving and Ward Counties

Gentlemen:

Thank you for your letter of March 28, 1975, and we have reviewed the captioned lease. You are correct in advising that the leased acreage is in both Loving and Ward Counties.

Since that lease was issued by Jerry Sadler as Commissioner of the General Land Office on August 4, 1970, it would be inappropriate for a corrected lease to be executed by Bob Armstrong.

We will continue to study your request and if you have any suggestions or solutions to solve this matter, please advise.

Sincerely yours,

Bob Armstrong

By

Jack M. Howard, Director
Exploration & Development Division
Phone: 512-475-3064

JMH:gs

⑧

M-64848

Ltr to

Forest oil Corp

Dated 4-1-75
gs

July 18, 1975

M. M. Slagle, Jr.
4013 Clayton Road West
Fort Worth, Texas 76116

Re: Unit Agreement
M-64848, M-66109, M-66110 and M-71912
Loving, Reeves and Ward Counties

Gentlemen:

Enclosed is the original and four copies of the captioned unit agreement which was approved by the School Land Board, July 15, 1975. A copy has been retained for our files.

If we may be of further service, please advise.

Sincerely,

Bob Armstrong

By

H. E. White, Secretary
School Land Board
Phone 512 475-6491

HEW/lf
Enclosures

(9)

m-64848

Ltr to

m. m. Slagle, Jr

dated 7-18-75gs

Exploration and Development

Lease Status Report

DO NOT DESTROY

DATE

NAME

TO: Mineral Acctg. 7/28/75 JANSZEN

M.F. No. 64848, 66109, 66110, 71912

Lease W.L.R. Unit

County LOVING, REEVES & WARD

Operator M.M. SLAGLE, Jr.

Effective Date

☐ P & A (Last Well on Lease) _____

☐ First Producing Well on Lease _____

☐ Commingle Production _____

☒ Unit & Pooling Agreements 7/18/75

☐ Amendments to Units _____

☐ Other: Note Below _____

POOLING COMMITTEE REPORT

TO: SCHOOL LAND BOARD

DATE: July 15, 1975

7-18-75
APP. S.L.B. 7-15-75
*(SEE BELOW)

OPERATOR: M. M. Slagle, Jr. COUNTY Loving, Reeves & Ward

UNIT NAME: W. L. R. Unit FIELD Wildcat

FILE NUMBER	TOTAL ACRES	ACRES IN UNIT
M-64848	506	331
M-66109	50	25
M-66110	100	25
M-71912	279.98	279.98

Unitized for:

Kind of land:

Oil _____
Gas X _____
Oil and Gas _____

State Owned X _____
Relinquishment Act _____
Free Royalty _____

Size of Unit 660.98 Acres
State owned 660.98 Acres
Privately owned _____ Acres

Well location:
State land X _____
Private land _____

Participation:

Railroad Commission Field Rules:

Basis Surface Acreage
Royalty 1/6 & 1/5

Spacing No Rules _____
Well factor _____
Acreage factor _____

Agrees to drill to density of field rules: Yes X No _____
Holds only acreage included in unit past
primary term: Yes X No _____
Satisfactory geological data furnished: Yes X No _____

REMARKS: The well for this proposed gas unit would test a fault block south and west of the Vermejo Field which is gas productive in the Fusselman and Ellenburger Formations.

State Lease M-64848 has an expiration on August 4, 1975, and the two River Bed leases have expirations on July 6, 1976.

* APPROVED WITH ROYALTY INCREASE FROM 1/6 to 1/5. M-64848

Unit is Out of 5-7-85

APPROVAL: Recommended X Not Recommended _____

[Signature]

[Signature]
Linward Shivers

[Signature]
Jack M. Howard

W. L. R. UNIT
Ward, Loving and Reeves Counties, Texas

UNITIZATION AGREEMENT
AND
DECLARATION OF POOLED UNIT

THIS AGREEMENT is entered into this the 11th day of July, 1975, by and between BOB ARMSTRONG, The Commissioner of the General Land Office on behalf of the State of Texas, hereinafter called "State", BASS ENTERPRISES PRODUCTION CO., as Unit Operator, M. M. SLAGLE, JR., and FOREST OIL CORPORATION, in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

I.

This agreement is made for the purpose of conservation and utilization of the pooled mineral to prevent waste, to facilitate orderly development, to preserve correlative rights, and to declare a pooled unit; to such ends it is the purpose of this agreement to effect equitable participation within the unit formed hereby. This agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in the interpretation and application shall, in all things, be subject thereto.

II.

The pooled unit shall consist of 660.98 acres constituting 331 acres out of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, 50 acres of the Pecos River in Ward, Loving and Reeves County, Texas, and 279.98 acres in Section 2,

Block 3, H&GN Ry. Co. Survey, Reeves County, Texas, and more particularly described in Exhibit "A" and shown colored red on the plat marked Exhibit "B" attached and made a part hereof. The land under which the State of Texas ("State") owns all minerals subject to the oil and gas leases described in Exhibit "A" attached hereto, and made a part hereof, contains approximately 660.98 acres of which all is included in the pooled unit. All leases and records thereof in the public records are referred to for all purposes.

III.

The mineral pooled and unitized hereby shall be the gas (including any condensate, distillate and other liquid hydrocarbons produced in connection with gas), found at all depths and horizons below the surface of the ground.

IV.

The parties hereto commit all of their interests which are within the unit to the extent as above described into said pooled unit and unitized and pool hereunder the separate tracts described in said Exhibit "A" for and during the term hereof so that such pooling or unitization shall have the following effect.

- (a) The unit to the extent as above described shall be operated as an entirety for the exploration, development, and production of the pooled mineral rather than as separate tracts;
- (b) all drilling operations, reworking, or other operations with respect to the pooled mineral on land within the unit shall be considered

as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes and the terms of the respective leases or other contracts thereon in this agreement;

- (c) production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon in this agreement;
- (d) all rights to the production of the pooled mineral from the unit, including royalties and other payments shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only and in lieu of the actual production of the pooled mineral therefrom;
- (e) a shut-in gas well located upon any lease included within said unit shall be considered as a shut-in gas well located upon each lease included within said unit, provided, however, that shut-in gas well royalties due the State under ^{each} ~~the~~ lease listed as ~~XXXXX~~ on Exhibit "A" hereof shall be paid to the State under the terms of such lease as though such shut-in gas well were located on the land

covered by such lease and shown on Exhibit "A" hereof, it being agreed that the State's share of the shut-in royalties payable under such lease shall be paid to the State and shall not be shared with lessors under the other tracts committed to this unit or otherwise diminished by reason of this agreement;

- (f) there shall be no obligation to drill internal offsets to any other well on separate tracts within the unit nor to develop the tracts separately as to the pooled mineral, except as provided herein;
- (g) notwithstanding any other provision hereof, it is expressly agreed that the leases listed on Exhibit "A" hereof may be maintained in force as to areas lying outside the pooled unit only as provided in such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit gas well, shall serve to hold such lease in force as to any area outside the pooled unit, regardless of whether the production or operations in the unit are actually located on such lease or not. "Area" as used in this paragraph shall be based on surface acres to the end that the area inside the pooled unit, if held, will be held as to all depths and horizons;
- (h) if the Railroad Commission of Texas (or any other regulatory body having jurisdiction) should adopt field rules providing for gas units of less than the acreage contained in the unit herein created,

then either (1) the unit will be reformed to comply with Railroad Commission Unit Rules, (2) the unit will be drilled to the density permitted by the Railroad Commission or (3) compensatory royalty will be paid to the State of Texas on the basis of its tracts included in the unit;

- (i) this agreement shall not negate the duty of protecting the above described leases from drainage from any well situated on privately owned land, but subject to such obligation, the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority may be produced from any one or more wells completed thereon;
- (j) should this agreement terminate, for any cause, in whole or in part, the leases and other contracts affecting the land within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract, and the same had ceased on the date of termination of this agreement.

V.

For the purpose of computing the royalty payable on production of the pooled mineral, there shall be allocated to each lease and mineral tract committed to the above described unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such lease or mineral tract and committed to the unit bears to the total number of surface acres included in the pooled unit.

In accordance with School Land Board approval on July 15, 1975, the royalty shall be increased from 1/6 to 1/5 on State Lease M-64848.

VI.

This agreement shall become effective when signed by the Commissioner of the General Land Office of the State of Texas.

VII.

This agreement shall remain in effect as long as the pooled mineral is being produced hereunder, or so long as drilling or reworking operations are being prosecuted on the pooled unit with no more than sixty (60) days between cessation of either production or such operations and the beginning or resumption of either of them, as the case may be from time to time thereafter, or so long as all existing leases covering the pooled mineral are maintained in force insofar as they cover the pooled unit by payment or tender of shut-in gas well royalties, or by other means, in accordance with the terms of said leases.

VIII.

Insofar as the royalty interest of the State of Texas in and under any tract committed to the unit is concerned, this agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Article 5382c, Vernon's Annotated Civil Statutes of Texas, authorizing the same after the prerequisites, findings and approval hereof, as provided in said Statute, having been duly considered, made and obtained.

IX.

The unit created by this agreement may be dissolved by the working interest owners in the unit by an instrument filed for record in Loving, Ward and Reeves Counties, Texas, and a certified copy thereof filed in the General Land Office, at any time after the cessation of production or the cessation of operations on said unit, or in the event a well on said unit is completed as a dry hole.

X.

All lessees of State lands within this unit shall file monthly affidavits of production with the Unit Operator. Unit Operator shall, in turn, file such affidavits along with monthly consolidated affidavits of production covering separately all oil production and gas production from the Unitized Formation, each of which affidavit shall show on its face or by accompanying schedule the portion of such Unitized Substances that is allocated hereunder to each tract of State land, the disposition of production thereof and the royalty allocated thereto. All such affidavits shall be filed in the General Land Office in the manner provided in the State of Texas Oil and Gas Lease Agreement and in the form prescribed by the General Land Office.

XI.

Upon full and complete execution of this instrument, the owners of all minerals and of all royalty interests in the Unit Area, and all Lessors and Lessees of leases comprising the Unit Area shall have authorized the creation of the pooled unit herein described.

In consideration of the premises and the mutual benefits to be derived herefrom, the undersigned parties, acting pursuant to the terms and provisions of this Unitization Agreement and Declaration of Pooled Unit, and the rules and regulations of the Railroad Commission of the State of Texas in force at the time of execution of this instrument, hereby POOL, COMBINE and UNITIZE the leases and minerals described in Exhibit "A" as to gas rights only, (which term shall include condensate, distillate and other liquid hydrocarbons provided in connection with gas) and as to all depths below the surface to form a Unit comprising the land set out in Exhibit "A" attached hereto, containing approximately 660.98 acres.

XII.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization agreement be made in kind, without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

This instrument may be executed in any number of counterparts, no one of which needs to be executed by all parties, and shall be binding upon all those parties who have executed such a counterpart with the same force and effect as if all such parties had signed the same instrument.

Date 7-18-75

Bob Armstrong
Bob Armstrong, Commissioner of
the General Land Office of the
State of Texas

Audit LG
Legal [Signature]
Geology [Signature]
Execution [Signature]
Engineering [Signature]

ATTEST:

Dora Neely
Assistant Secretary

Date July 11, 1975

BASS ENTERPRISES PRODUCTION CO.

By Wm. Arthur Smith
Vice President

ATTEST:

Robert J. Castor
Assistant Secretary

Date July 11, 1975

FOREST OIL CORPORATION

By Dale F. Lane (M.W.)
Vice President

WITNESS:

B. J. Duncan

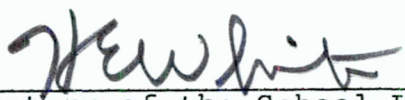
Date July 11, 1975

M. M. Slagle, Jr.
M. M. SLAGLE, JR.

CERTIFICATE

I, H. E. White, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 15th day of July, 1975, the foregoing instrument was presented to and approved by said Board under the provisions of Article 5382c, V.C.S., all of which is set forth in the minutes of the Board of which I am custodian.

IN WITNESS WHEREOF, witness my hand this the 17th day of July, 1975.


Secretary of the School Land Board

THE STATE OF TEXAS X
COUNTY OF X

BEFORE ME, the undersigned authority, on this day personally appeared BOB ARMSTRONG, Commissioner of the General Land Office of the State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 18th day of July, 1975.



Linda M. Fisher
Notary Public in and for
Travis County, Texas

THE STATE OF TEXAS X
COUNTY OF TARRANT X

BEFORE ME, the undersigned authority, on this day personally appeared Wm. Arthur Hamilton, Vice President of BASS ENTERPRISES PRODUCTION CO., known to me to be the person and officer whose name is subscribed to the foregoing instrument, 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 on this the 11th day of July, 1975.

Linda C. Dickson
LINDA C. DICKSON
Notary Public in and for
Tarrant County, Texas
My Commission Expires June 1, 1977

THE STATE OF TEXAS X
COUNTY OF MIDLAND ~~BEAR~~ X

BEFORE ME, the undersigned authority, on this day personally appeared Dale F. Dorn, Vice President of FOREST OIL CORPORATION, known to me to be the person and officer whose name is subscribed to the foregoing instrument, 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 on this the 11th day of July, 1975.



My Commission Expires:
June 1, 1977

Wanda Hicks
Notary Public in and for
~~Bear~~ County, Texas

MIDLAND

WANDA HICKS - Notary Public
In and for Midland County, Texas

THE STATE OF TEXAS X
X
COUNTY OF TARRNAT X

BEFORE ME, the undersigned authority, on this day personally appeared M. M. SLAGLE, 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 purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 11th day of July, 1975.



LINDA C. DICKSON
Notary Public in and for
Tarrant County, Texas
My Commission Expires June 1, 1977

EXHIBIT "A"

Attached to and made a part of Unitization Agreement and Declaration of Pooled Unit covering the W. L. R. Unit, Ward, Loving and Reeves Counties, Texas, dated the 11th day of July, 1975

LAND DESCRIPTION OF UNIT AREA:

Tract 1 - State of Texas Lease No. 64848 covering all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less,

Tract 4 - State of Texas Lease No. 71912 covering the S. and N. Mid Part of E Part, NW Part of E Part and NE Part of Section 2, Blk. 3, H&GN Ry. Co. Survey, Reeves County, Texas, containing 279.98 acres,

containing an aggregate total unit acres of 660.98 acres, more or less.

I. LEASE CONTRIBUTED BY FOREST OIL CORPORATION insofar as same covers Tract 1 above:

Oil and Gas Lease (64848) dated August 4, 1970, between The State of Texas, Lessor, and Forest Oil Corporation, Lessee, recorded in Volume 32, page 304, Deed Records, Loving County, Texas.

II. LEASE CONTRIBUTED BY FOREST OIL CORPORATION insofar as same covers Tract 2 above:

Oil and Gas Lease (66109) dated July 6, 1971, between The State of Texas, Lessor, and Forest Oil Corporation, Lessee, recorded in Volume , page , Deed Records, Loving County, Texas.

III. LEASE CONTRIBUTED BY FOREST OIL CORPORATION insofar as same covers Tract 3 above:

Oil and Gas Lease (66110) dated July 6, 1971, between The State of Texas, Lessor, and Forest Oil Corporation, Lessee, recorded in Volume page , Deed Records, Ward County, Texas.

IV. LEASE CONTRIBUTED BY M. M. SLAGLE, JR. insofar as same
covers Tract 4 above:

Oil and Gas Lease (71912) dated June 3, 1975,
between The State of Texas, Lessor and M. M.
Slagle, Jr., Lessee, recorded in Volume
page , Deed Records, Reeves County, Texas.

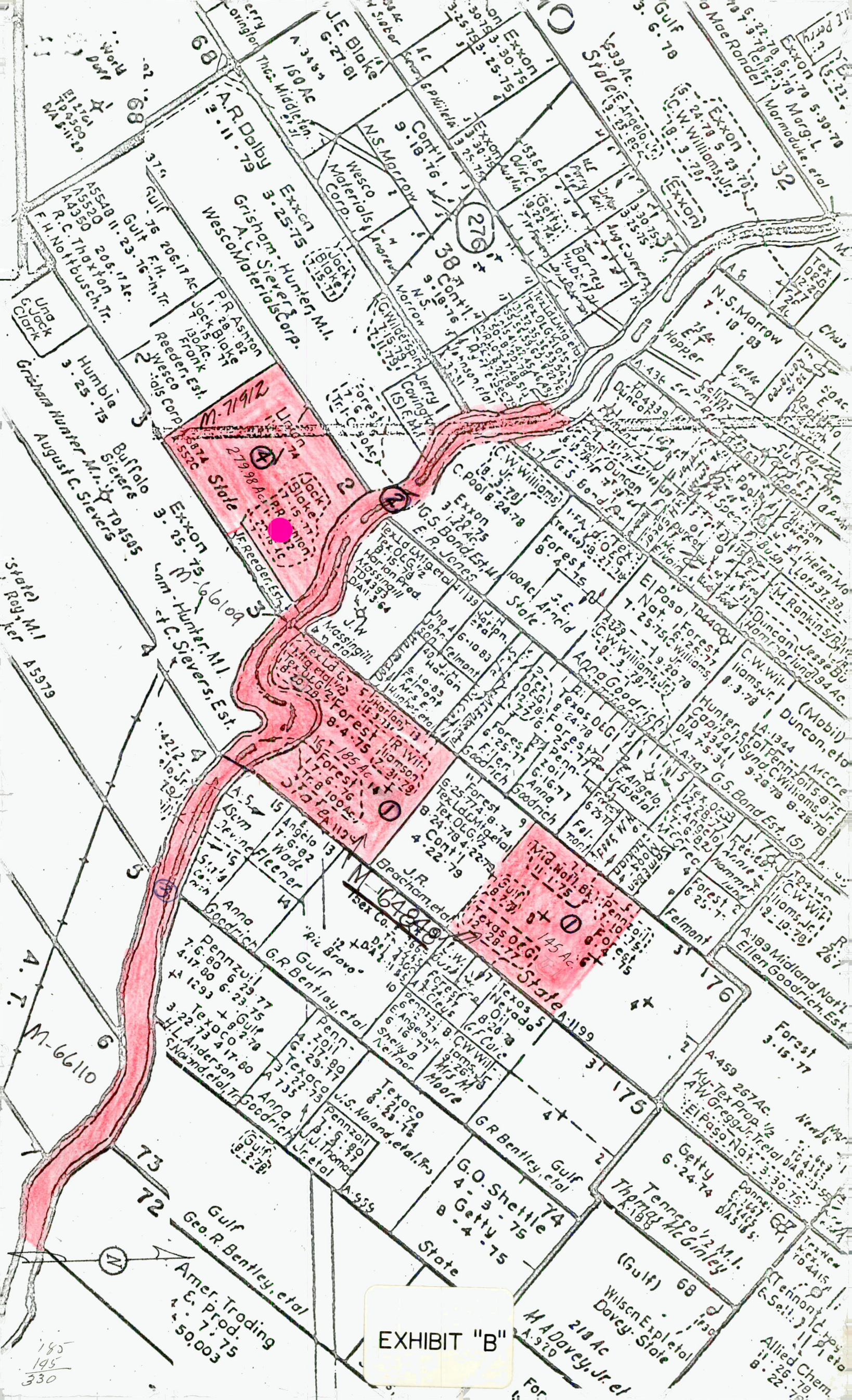


EXHIBIT "B"

185
195
330

(10)

m-64848

Unitization agreement
M. L. R. Unit
dated 7-18-75 ga



BASS ENTERPRISES PRODUCTION CO.
FORT WORTH NATIONAL BANK BUILDING
FORT WORTH, TEXAS 76102

July 29, 1975

RECEIVED

161 JUL 31 1975

General Land Office

Hon. Bob Armstrong
Commissioner
General Land Office
Austin, Texas 78701

M - 64848

RE: W. L. R. Unit
Ward, Loving and Reeves Counties,
Texas

Dear Mr. Armstrong:

Reference is made to that certain Unitization Agreement and Declaration of Pooled Unit, dated July 11, 1975, forming the W.L.R. Unit, consisting of 660.98 acres, constituting 331 acres out of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, 50 acres of the Pecos River in Ward, Loving and Reeves Counties, Texas and 279.98 acres in Section 2, Block 3, H&GN Ry. Co. Survey, Reeves County, Texas. This Unitization Agreement and Declaration of Pooled Unit was approved by the School Land Board on July 15, 1975, and was executed by you on July 18, 1975.

As you may recall we had originally planned to drill a 19,500' Fusselman test at a location on State of Texas Lease No. 71912 in Section 2, Block 3 of the H&GN RR Co. Survey in Ward County, Texas. We regret that we are unable to drill the well at that location because of irresolvable survey problems. Without changing the projected depth of the well, we have changed the location to one on State of Texas Lease No. 64848 in Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. This location is shown on the attached plat which also shows the Unit Area.

Because of the necessity of making the above location change as well as certain difficulties we have encountered in preparing the current location for the drilling rig, we have decided that following actions must be taken.

We already have staked the location for the unit well and have completed preparation of the location. Within the next forty-eight (48) hours, we shall move in a small rig to spud the well and to set conductor pipe. The conductor pipe will be cemented and the rig will then be moved off. Immediately thereafter we will move in a big drilling rig capable of drilling to the projected depth of the well. The operations which we already have commenced will be continuous until such time as the well is completed or plugged and abandoned.

Hon. Bob Armstrong
July 29, 1975
Page 2

RECEIVED

JUL 31 1975

General Land Office

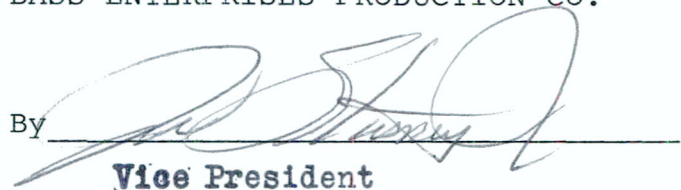
Inasmuch as it was impossible to drill the unit well at the original location, we trust that you will concur in our decision to drill the well at the revised location. We also trust that you will concur that our operations as described above will fulfill the terms and conditions of the above-mentioned Unitization Agreement and Declaration of Pooled Unit and that the leases in the unit will be maintained in full force and effect by such operations.

If you concur in the above, please sign the duplicate copy of this letter enclosed herewith and return same to this office for our files.

Yours very truly,

BASS ENTERPRISES PRODUCTION CO.

By

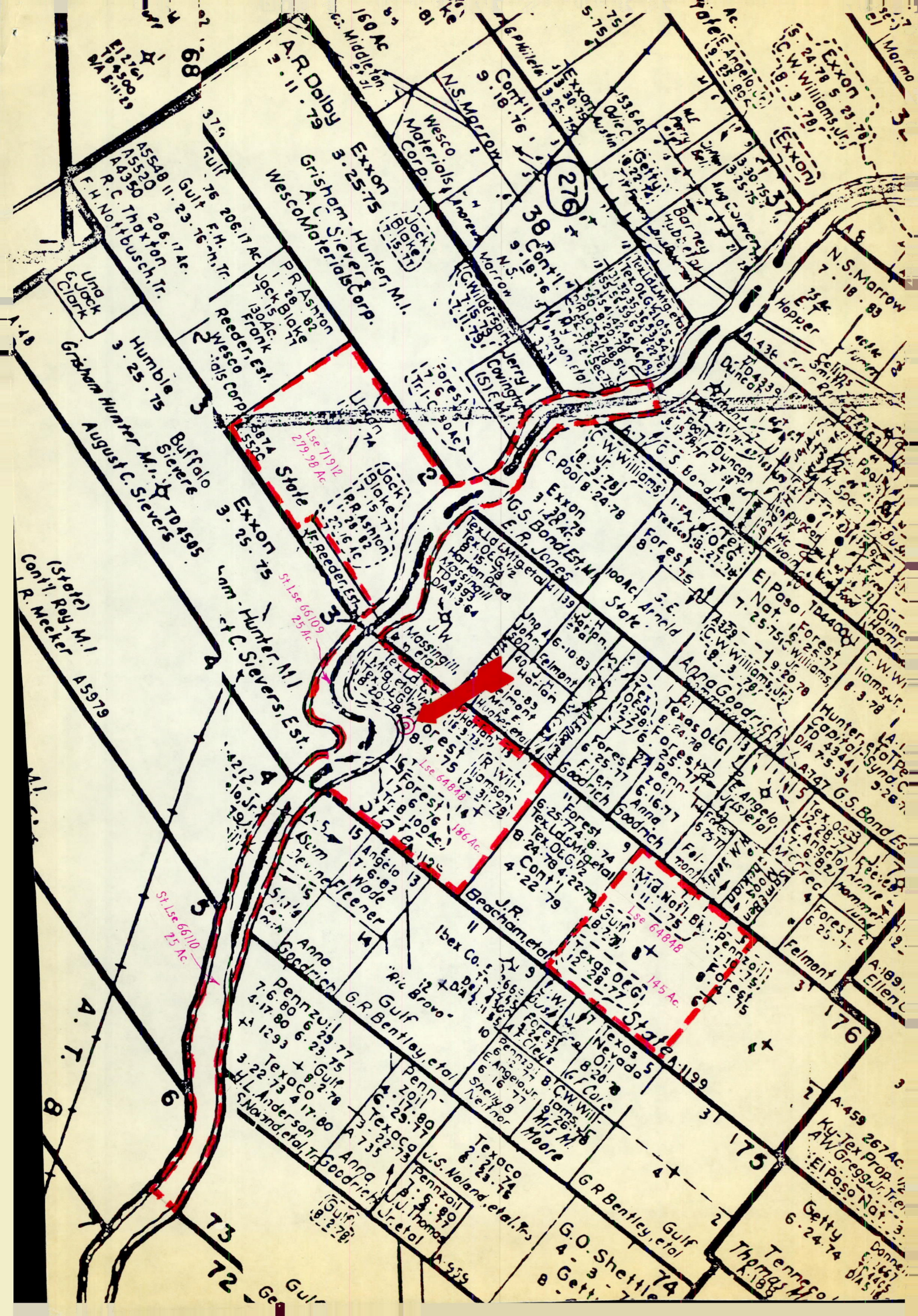


Vice President

Att.

GENERAL LAND OFFICE
STATE OF TEXAS

By _____



⑩
m-64848

RECEIVED

JUL 31 1975

General Land Office

Ltr fr
Bass Enterprises
Production Co.
dated 7-29-75 ga

July 31, 1975

Bass Enterprises Production Co.
Fort Worth National Bank Building
Fort Worth, Texas 76102

M-64848

Attention Mr. Joe Stasney, Vice President

Gentlemen:

This is in reply to your letter of July 29, 1975, in which you point out that you have built a pad and are presently in the process of setting conductor pipe by use of a small drilling rig on a 331-acre tract out of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, which is under lease from the State of Texas.

We consider this operation to be drilling operations under the terms of our lease. Upon receipt of the \$3,000 extension payment, along with an affidavit required by this office, your lease will be maintained in full force and effect.

Sincerely yours,

Bob Armstrong

By: Jack Giberson
Chief Clerk

JG:lr

(12)

M-648 48

Ltr to

Bass Enterprises
Production Co.

Dated 9-31-75 gsd

BASS ENTERPRISES PRODUCTION CO.
FORT WORTH NATIONAL BANK BUILDING
FORT WORTH, TEXAS 76102

August 1, 1975

RECEIVED
AUG 5 1975
General Land Office

CERTIFIED - RETURN RECEIPT REQUESTED

General Land Office
State of Texas
Austin, Texas 78701

~~44-53725~~
M-64848
RE: Bass-Quasar WRL Unit
(State) No. 1 Well
Loving County, Texas

Gentlemen:

Pursuant to the terms of State of Texas Oil and Gas Lease No. 64878, this is to notify you that the subject well was spudded on said Lease at 12:37 p.m. on July 30, 1975.

The Lease covers the NE and SW parts of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, containing 506 acres, as shown on the official map of Loving County now on file in the General Land Office.

The well is located 1,000 feet from the northwest line and 2,625 feet from the northeast line of the southwest 207 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. A plat showing the location of the well is enclosed.

Very truly yours,


James M. Deacon, Jr.

JMD:arm
Encl.

CC: Forest Oil Corporation
P. O. Box 1916
Midland, Texas 79701

American Quasar Petroleum Co.
606 Vaughn Building
Midland, Texas 79701

13

M-64848

Ltr. fr. Bass Enterprises Prod. Co.

8-5-75 MMV

RECEIVED
JUL 28 1975
General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4TH day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the ~~XXXX~~ AREA NE/part, abs. no. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H. & T.C. Ry Co.

ACRES 175 COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

by Stubbeman, McRae, Sealy, Laughlin & Browder

By

Michael J. Canon

ATTORNEY FOR APPLICANT

DATE July 28, 1975 POST OFFICE Box 2263

Austin, Texas 78767

(15)

M 64848

Application for Extension

File Dated 7-28-75

Bob Armstrong, Commissioner

RECEIVED

JUL 28 1975

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

General Land Office

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 1970, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$3,000.00, the consideration required for this extension under the above Act.

All of NE pt. except the NE 175 ac.
TRACT thereof and the SWpt. AREA abs. no. 1268, Ward Co.
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H.&T.C. Ry Co.
ACRES 331 more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

by Stubbeman, McRae, Sealy, Laughlin & Browder

By Michael J. Cannon

ATTORNEY FOR APPLICANT

DATE July 28, 1975 POST OFFICE Box 2263

Austin, Texas 78767

(16)

M. 64848

Application for Extension

File Dated 7-28-75

Bob Armstrong, Commissioner

INITIAL DRILLING AFFIDAVIT

RECEIVED
AUG 8 1975
General Land Office

THE STATE OF TEXAS X
COUNTY OF ~~MIDLAND~~ X

Loving

BEFORE ME, the undersigned, a Notary Public in and for LOVING ~~Midland~~ County, Texas, on this day personally appeared LOWELL T. WERTCH, to me known to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206 contracted by the operator to drill to 22,000 feet. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on AUGUST 2, 1975, on the Bass-Quasar WLR Unit (State No. 1) located 1000' FNWL + 10,080' FNBZ SECTION 76, BLK 33, H+TC SURVEY, Loving County, Texas. Drilling operations have continued to this date. On AUG 4, 1975 @ 6:00 A.M., the well was drilling at a depth of 957 ' and is presently drilling at a depth of 1107 ', with future drilling operations expected to continue to the objective depth of 22,000'.

Lowell T. Werch
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this 4 day of AUGUST, 1975.

Donald C. Clegg
Notary Public in and for ~~Midland~~ Loving County, Texas

RECEIVED

AUG 8 1975

General Land Office

THE STATE OF TEXAS X
COUNTY OF ~~MIDLAND~~ X
Loving

BEFORE ME, the undersigned authority, on this day personally appeared Lowell T. Welch, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Initial Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 4th day of August, 1975.

Donald C. Clayton
Notary Public in and for ~~Midland~~
County, Texas *Loving*

(17)

M. 64848

Critical Drilling Affidavit

File Dated 8-8-75

Bob Armstrong, Commissioner



EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

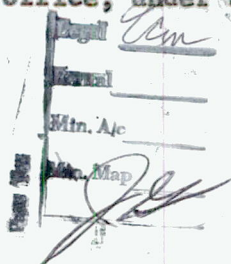
WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, Drilling Operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty (30) days from and after the 4th day of August, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 21st day of August, 1975.



Bob Armstrong
Commissioner of the General Land Office

(20)

M. 64848

Extension

File Dated 8-21-75

Bob Armstrong, Commissioner

RECEIVED AS STATED

\$3,000.00

DATE 7-28-75

Reg. No. 10 5145

GENERAL LAND OFFICE

ok
checked with
JMP
9-16-75
RJW

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 4th day of August, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 21st day of August, 1975.



Bob Armstrong
Commissioner of the General Land Office

(21)

M. 64848

Extension

File Dated 8-21-75

Bob Armstrong, Commissioner

RECEIVED AS STATED

\$ 3,000.00

DATE 7-28-75

Reg. No. 105146

GENERAL LAND OFFICE

ab
clerk. with
JMH
9-16-75
ajw

BASS ENTERPRISES PRODUCTION CO.
FORT WORTH NATIONAL BANK BUILDING
FORT WORTH, TEXAS 76102

101 Howard

RECEIVED
AUG 8 1975
General Land Office

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 6, 1975

Re: Bass-Quasar WLR Unit (State) #1 Well
Loving County, Texas

General Land Office
Austin, Texas 78701

Attention: Mr. Jack Giberson
Chief Clerk

Gentlemen:

M-64848

M-66109

M-66110

M-71912

We wish to thank you for your letter of July 31, 1975 pertaining to our drilling of the subject well in Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas.

The \$3,000.00 extension payment has been forwarded to you on behalf of Forest Oil Company, the record owner of State of Texas Lease No. 64848. The required affidavit, executed by Lowell T. Welch, Superintendent of the Loffland Brothers Company Rig No. 206 is enclosed. You will note that it mentions that drilling operations were commenced on August 2, 1975 at 10:32 p.m. This was the date the Loffland rig commenced actual drilling operations. You will recall that my earlier letter of August 1, 1975 advised you that the well had been spudded at 12:37 p.m. on July 30, 1975. That was the date the small rig which we initially used actually spudded the well.

Yours very truly,

James M. Deacon, Jr.
James M. Deacon, Jr.

JMD:ld
Enclosure

cc: Forest Oil Company
P. O. Box 1916
Midland, Texas 79701

American Quasar Petroleum Co.
606 Vaughn Building
Midland, Texas 79701

22

M. F. 64848

CORRESPONDENCE FILE

~~X~~ Bass Enterprises
From

Dated 8-6-75

RECEIVED

AUG 26 1975

General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the ~~XXXXX~~ AREA NE part, Abst. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry.Co.

ACRES 175 COUNTY Loving and Ward *

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Michael J. Canon

Michael J. Canon

DATE Aug. 25, 1975 POST OFFICE Box 2263

Austin, Texas 78767

- * or the East 175 acres of Section 76, Block 33, H & TC Ry.Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

(26)

M 64848

Application for Extension

File Dated 8-26-75

Bob Armstrong, Commissioner

RECEIVED
AUG 26 1975
General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of NE part except the NE 175 acres thereof
TRACT and the SW part ~~XXXXX~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.
ACRES 331, more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY
Individual or Company
BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Michael J. Canon
Michael J. Canon

DATE Aug. 25, 1975 POST OFFICE Box 2263

Austin, Texas 78767

(27)

M. 64848

Application for Extension

File Dated 8-26-75

Bob Armstrong, Commissioner

SUPPLEMENTAL DRILLING AFFIDAVIT

RECEIVED

SEP 8 1975

General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared Lowell J. Keldh, known to me to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m., on the Bass-Quasar WLR Unit (State No. 1), located 1000' FNWL and 10,080' FNEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling operations have continued to this date. On September 3 at 6:00 a.m., the well was drilling at a depth of 8935' and is presently drilling at a depth of 8965', with future drilling operations expected to continue to the objective depth of 19,500'.

Lowell J. Keldh
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this the 3rd day of

September, 1975.

Donald C. Clegg
Notary Public in and for
Loving County, Texas

RECEIVED

SEP 8 1975

General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING :

BEFORE ME, the undersigned authority, on this day personally appeared Lowell W. Kelly, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 3rd day of September, 1975.

Donald C. Clegg
Notary Public in and for
Loving County, Texas

(28) M 64848
Supplemental Drilling Affidavit
File Dated 9-8-75
Bob Armstrong, Commissioner



EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 19 70, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 3rd day of September, 19 75, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 11th day of September, 19 75.

Legal Pom

Rental _____

Min. A/c _____

Min. Map _____

Bob Armstrong
Commissioner of the General Land Office

(29) M 64848
Extension
File Dated 9-11-75
Bob Armstrong, Commissioner

RECEIVED AS STATED

#3,000.00

DATE 8-26-75
Reg. No. 117047

GENERAL LAND OFFICE

ok -
chd. with
JMB
9-16-75
C/ajw

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 19 70, and Known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas: and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Blk. 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty days from and after the 3rd day of September, 19 75, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 11th day of September, 19 75.

Legal Law
Rental _____
Min. A/c _____
Min. Map Map

Bob Armstrong
Commissioner of the General Land Office

(30)

M 64848

Extension

File Dated 9-11-75

Bob Armstrong, Commissioner

RECEIVED AS STATED

\$3,000.00

DATE 8-26-75

Reg. No. 117046

GENERAL LAND OFFICE

Ok
chd. with
JMH
9-16-75
ajw

FROM...

STUBBEMAN, MCRAE, SEALY,
LAUGHLIN & BROWDER

ATTORNEYS AT LAW

VAUGHN BUILDING

P. O. BOX 2263

AUSTIN, TEXAS 78767

TO...

Commissioner of the General Land
Office

Austin, Texas

RECEIVED

AUG 26 1975

General Land Office

RECEIVED
AUG 26 1975
General Land Office

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING - ZIP CODE 78701
P. O. BOX 2263 - ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
August 25, 1975

Commissioner of the General Land Office
Austin, Texas

FOR HAND DELIVERY

Re: Application for Extension of Oil and Gas Leases
M-64847 and M-64848

Dear Sir:

Enclosed herewith are applications for extension of oil and gas leases along with Forest Oil Corporation checks in the amount of \$3,000.00 each, to extend the following oil and gas leases:

1. M-64847 covering NE/2 of NE/2 Section 74, Block 33, H&TC Ry.Co. Survey, Loving and Ward Counties, Texas, or the East 160 acres of Section 74, Block 33, H&TC Ry.Co. Survey, Loving County, Texas assuming the common boundary line between Sections 74 and 75 of said block is the North line of Section 74.
2. M-64848 in so far as it covers NE 175 acres of the NE part Abstract 1268, Ward County, Section 76, Block 33, H&TC Ry.Co. Survey, Loving and Ward Counties, Texas, or the East 175 acres of Section 76, Block 33, H&TC Ry.Co. Survey, Loving County, Texas assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

ck - 3,000.00 117046
ck - 3,000.00 117047
ck - 3,000.00 117048

171

Commissioner of the GLO
August 25, 1975
Page 2

RECEIVED
AUG 26 1975
General Land Office

3. M-64848 is so far as it covers the NE part except the NE 175 acres and the SW part, Abstract 1268, Ward County, of Section 76, Block 33, H&TC Ry.Co. Survey, Loving and Ward Counties.

Please let us know if you have any questions or have any difficulties in this matter.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By


Michael J. Canon

MJC:jh
Encls.

(31) M. F. 64848

CORRESPONDENCE FILE

To Stubbeman, McBae et al
From

Dated 8-25-75

RECEIVED

SEP 8 1975

General Land Office

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING - ZIP CODE 78701
P. O. BOX 2263 - ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Sept. 8, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, American Quasar- Bass Enterprises,
WLR Unit, Loving County, Texas

Dear Sir:

Reference is made to our August 25th letter transmitting Forest Oil Corporation checks in the amount of \$3,000.00 each, together with Application for Extension of captioned state lease.

Enclosed herewith is drilling affidavit for September 3, 1975.

Please direct the Commissioner's Extension Order to the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

32) M. F. 64848

CORRESPONDENCE FILE

~~TO~~ Hullman, McRae et al
From

Dated 9-8-75

RECEIVED
SEP 26 1975
General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of NE part except the NE 175 acres thereof
TRACT and the SW part ~~AREA~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY HATC Ry. Co.
ACRES 331, more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY
Individual or Company
BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER
By Michael J. Canon
Michael J. Canon

DATE Sept. 25, 1975 POST OFFICE Box 2263

Austin, Texas 78767

(34)

M 64848
Application for Extension
File Date 9-26-75
Bob Armstrong, Commissioner

SUPPLEMENTAL DRILLING AFFIDAVIT

THE STATE OF TEXAS:

COUNTY OF LOVING:

RECEIVED
OCT 8 1975
General Land Office

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared Donald M. Smith, known to me to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m., on the Bass-Quasar WLR Unit (State No. 1), located 1000' FNWL and 10,080' ENEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling operations have continued to this date. On October 3 at 9:00 a.m., the well was drilling at a depth of 12,728' and is presently drilling at a depth of 12,728', with future drilling operations expected to continue to the objective depth of 19,500'.

Donald M. Smith
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this the 3rd day of

October, 1975.

Mary Bell Jones
Notary Public in and for
Loving County, Texas

THE STATE OF TEXAS:

COUNTY OF LOVING :

RECEIVED

OCT 8 1975

General Land Office

BEFORE ME, the undersigned authority, on this day personally appeared Donald G. Smith, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 3rd day of October, 1975.

Mary Bell Jones
Notary Public in and for
Loving County, Texas

35.

M. 64848
Drilling Affidavit
File Date 10-8-75
Bob Armstrong, Commissioner



EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 19 70, and Known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas: and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of Thirty (30) days from and after the 3rd day of October, 19 75, and so long thereafter as oil or gas is ~~being~~ produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 10th day of October, 1975.

Legal cm
Rental _____
Min. A/c _____
Min. Map ST

Bob Armstrong
Commissioner of the General Land Office

(36)

M. 64848
Extension
File Dated 10-3-75
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 9-26-75
Reg. No. 4587

GENERAL LAND OFFICE

RECEIVED
SEP 26 1975

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAN
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING - ZIP CODE 78701
P. O. BOX 2263 - ZIP CODE 78767
A.C. 512 476-3502

General Land Office

ADDRESS REPLY TO: Austin, Texas
Sept. 25, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, NE Part except the NE 175 acres of the NE Part,
And SW Part, Abstract 1268, Ward County, Section 76,
Block 33, H&TC Ry. Co. Survey, Loving and Ward Counties
The WLR Unit

Dear Sir:

Enclosed herewith is Application for Extension of
captioned oil and gas lease together with Forest Oil
Corporation check in the amount of \$3,000.00.

A drilling affidavit to be dated October 3, 1975
will reach you in normal course.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland, 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

dv - 3,000.00 4585
dv - 3,000.00 4586
dv - 3,000.00 4587

(37.)

M. F. 64848

CORRESPONDENCE FILE

To Studdeman, McLaue, Pealy
FROM etal

Dated 9-25-75

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
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DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING - ZIP CODE 78701
P. O. BOX 2263 - ZIP CODE 78767
A.C. 512 476-3502

161
RECEIVED
OCT 8 1975
General Land Office

ADDRESS REPLY TO: Austin, Texas
Oct. 7, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, American Quasar-Bass Enterprises,
WLR Unit, Loving County, Texas

Dear Sir:

Reference is made to our September 25th letter transmitting Forest Oil Corporation check in the amount of \$3,000.00, together with Application for Extension of captioned state lease.

Enclosed herewith is drilling affidavit for October 3, 1975.

Please direct the Commissioner's Extension Order to the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

(38.) M. F. 64848

CORRESPONDENCE FILE

To Stubbeman, McKee, Sealy
from etal

Dated 10-7-75

October 10, 1975

Stubbeman, McRae, Sealy, Laughlin
& Browder, Attorneys at Law
P. O. Box 2263
Austin, Texas 78767

Attention: Mr. Walter C. Beardsley

Re: State Lease No. M-64848
Sec. 76, Blk. 33, H&TC Ry. Co. Survey
Loving County, Texas

Dear Mr. Beardsley:

Please find enclosed herewith Extension of Oil and Gas Lease covering the
above captioned Lease.

Your remittance in the amount of \$3,000.00 tendered to this office in order to
extend this Lease for a thirty day period, from October 3, 1975, has been applied
and a receipt for this amount is enclosed.

Sincerely yours,

Bob Armstrong

By:

V. C. Morelle, Attorney

VCM/alm

Enc.

(39.)

M. F. 64848

CORRESPONDENCE FILE

To Stubbeman, McLaue, et al
FROM

Dated 10-10-75

RECEIVED
SEP 26 1975
General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the ~~XXXX~~ NE part, Abst. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry.Co.
ACRES 175 COUNTY Loving and Ward*

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company
BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Michael J. Canon
Michael J. Canon

DATE Sept. 25, 1975 POST OFFICE Box 2263

Austin, Texas 78767

* or the East 175 acres of Section 76, Block 33, H & TC Ry.Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

(40.)

M. 64848
Application for Extension
Filed 9-26-75
Bob Smith, Commissioner

M-64848

Extend lease (part)
for 30 days from
Oct. 3, 1975,

(Copy attached form)
of extension

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 3rd day of October, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 17th day of October, 1975.

Legal

Rental

Min. A/c

Min. Map

Bob Armstrong
Commissioner of the General Land Office

(41)

M. 648.48

Extension

File No. 10-3-75

Bob Armstrong, Commissioner

RECEIVED AS STATED

\$3,000.00

Date 9-26-75

Reg. No. 4586

GENERAL LAND OFFICE

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the ~~XXXX~~ NE Part, Abst. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.

ACRES 175 COUNTY Loving and Ward*

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company
BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Wally Beardsley

DATE Oct. 27, 1975 POST OFFICE Box 2263
Austin, Texas 78767

* or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

RECEIVED

OCT 27 1975

General Land Office

(47.)

64848

Application for Extension

File Dated 10-27-75

Bob Armstrong, Commissioner

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of the NE Part except the NE 175 acres thereof
TRACT and the SW Part ~~AREA~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.

ACRES 331 acres more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY
Individual or Company
BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Walter Beardsley

DATE Oct. 27, 1975 POST OFFICE Box 2263
Austin, Texas 78767

RECEIVED

OCT 27 1975

General Land Office

(48.)

M. 64848
Application for Extension

File Dated 10-27-75

Robt. A. 1075, Commissioner

SUPPLEMENTAL DRILLING AFFIDAVIT

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared DONALD GENE SMITH, known to me to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m., on the Bass-Quasar WLR Unit (State No. 1), located 1000' FNWL and 10,080' FNEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling operations have continued to this date. On November 2 at 6:00 a.m., the well was drilling at a depth of 15,794 ' and is presently drilling at a depth of 15,794 ', with future drilling operations expected to continue to the objective depth of 19,500'.

Donald Gene Smith
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this the 2 day of November, 1975.

W. H. Blum
Notary Public in and for
Loving County, Texas

RECEIVED
NOV 6 1975
General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned authority, on this day personally appeared DONALD GENE SMITH, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2
day of NOVEMBER, 1975.

RECEIVED

NOV 6 1975

General Land Office

W. H. Brink
Notary Public in and for
Loving County, Texas

(49.)

M. 64848
Supp. Drilling Affidavit

File Dated 11-6-75

Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 2nd day of November, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 17th day of November, 1975.

Legal Jan
Rental _____
Mtn. A/c _____
Min. Map JS

Bob Armstrong
Commissioner of the General Land Office

(50.)

M. 64848
Extension
File dated 11-2-75
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 10-27-75
Reg. No. 18120

GENERAL LAND OFFICE

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving, County, Texas: and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty (30) days from and after the 2nd day of November, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 17th day of November, 1975.

Legal cm
Rental _____
Min. A/c _____
Min. Royalty [Signature]

Bob Armstrong
Commissioner of the General Land Office

(51.)

M. 64848
Extension
File Dated 11-2-75
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 10-29-75
Reg. No. 18122

GENERAL LAND OFFICE

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPES
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Oct. 27, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, NE Part except the NE 175 acres of the NE Part,
and SW Part, Abstract 1268, Ward County, Section 76,
Block 33, H&TC Ry. Co. Survey, Loving and Ward Counties,
The WLR Unit

Dear Sir:

Enclosed herewith is Application for Extension of
captioned oil and gas lease together with Forest Oil
Corporation check in the amount of \$3,000.00. 171

A drilling affidavit to be dated November 2, 1975
will reach you in normal course.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation ✓
Attn: Robert J. Castor
Box 1916
Midland 79701 ✓

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

\$3,000.00 18120

RECEIVED

OCT 27 1975

General Land Office

(52.)

M. F. 64848

CORRESPONDENCE FILE

To Stuppeman, McLa, et al
From

Dated 10-27-75

RECEIVED

NOV 6 1975

FRANK STUBBEMAN
HAMILTON E. MCRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A. C. 915 682-1616

General Land Office
AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A. C. 512 476-3502

ADDRESS REPLY TO:

Austin, Texas
Nov. 5, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, American Quasar-Bass Enterprises,
WLR Unit, Loving County, Texas

Dear Sir:

Reference is made to our October 27th letter transmitting Forest Oil Corporation check in the amount of \$3,000.00, together with Application for Extension of captioned state lease.

Enclosed herewith is drilling affidavit for November 2, 1975.

Please direct the Commissioner's Extension Order to the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

161

53.

M. F. 64848

CORRESPONDENCE FILE

To Stappman, M. L. et al
From

Dated 11-5-75

NOV 25 1975

General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of the NE Part except the NE 175 acres thereof
TRACT and the SW Part ~~XAREA~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.
ACRES 331 acres more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

By STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Walter C. Beardsley
Walter C. Beardsley

DATE Nov. 24, 1975 POST OFFICE Box 2263
Austin, Texas 78767

55.

M 64848
Application for Extension
File Dated 11-25-75
Bob Armstrong, Commissioner

SUPPLEMENTAL DRILLING AFFIDAVIT

RECEIVED

DEC 5 1975

THE STATE OF TEXAS:

COUNTY OF LOVING:

General Land Office

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared Lowell J. Helch, known to me to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m., on the Bass-Quasar WLR Unit (State No. 1), located 1000 FNWL and 10,080' FNEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling operations have continued to this date. On December 2 at 9:00 a.m., the well was drilling at a depth of 18,353' and is presently drilling at a depth of 18,353', with future drilling operations expected to continue to the objective depth of 19,500'.

Lowell J. Helch
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this the 2nd day of December, 1975

Donald C. Angus
Notary Public in and for
Loving County, Texas

RECEIVED

DEC 5 1975

General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned authority, on this day personally appeared Lowell J. Kehl, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2nd day of December, 1975.

Lowell C. Gray
Notary Public in and for
Loving County, Texas

(56)

M 64848
Drilling Affidavit
File Dated 12-5-75
Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving, County, Texas: and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty (30) days from and after the 2nd day of December, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 8th day of December, 1975.

Legal LCM
Rental _____
Min. Adj _____
Min. Mod RS

Bob Armstrong
Commissioner of the General Land Office

(59.)

M. 64848
Extension
File Dated 12-2-75
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 11-25-75
Reg. No. 35019

GENERAL LAND OFFICE

RECEIVED

NOV 25 1975

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

General Land Office

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Nov. 24, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, NE Part except the NE 175 acres of the NE Part,
and SW Part, Abstract 1268, Ward County, Section 76,
Block 33, H&TC Ry. Co. Survey, Loving and Ward Counties,
The WLR Unit

Dear Sir:

Enclosed herewith is Application for Extension of
captioned oil and gas lease together with Forest Oil
Corporation check in the amount of \$3,000.00.

A drilling affidavit to be dated December 2, 1975
will reach you in due course.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

OK 3,000.00

35019

(58.)

M. F. 64848

CORRESPONDENCE FILE

To Stubbeman, McRae, et al
From

Dated 11-24-75

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDEE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Dec. 4, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

RECEIVED

DEC 5 1975

Re: M-64848, American Quasar-Bass Enterprises,
WLR Unit, Loving County, Texas

General Land Office

Dear Sir:

Reference is made to our November 24th letter trans-
mitting Forst Oil Corporation check in the amount of
\$3,000.00, together with Application for Extension of
captioned state lease.

Enclosed herewith is drilling affidavit for December 2,
1975.

Please direct the Commissioner's Extension Order to
the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

(59)

M. F. 64848

CORRESPONDENCE FILE

To *Stubbeman, McKee et al*
From

Dated 12-4-75

December 9, 1975

Stubbeman, McRae, Sealy, Laughlin
& Browder, Attorneys at Law
P. O. Box 2263
Austin, Texas 78767

Attention: Walter C. Beardsley

Re: State Lease No. M-64848
WLR Unit, NE & SW Pts., Sec. 76,
Block 33, H&TC Ry. Co. Survey
Loving County, Texas

Dear Mr. Beardsley:

Please find enclosed herewith Extension of Oil and Gas Lease covering the above captioned Lease.

Your remittance in the amount of \$3,000.00 tendered to this office in order to extend this Lease for a thirty day period, from December 2, 1975, has been applied and a receipt for this amount is enclosed.

Sincerely yours,

Bob Armstrong

By:

V. C. Morelle, Attorney

VCM/alm

Enc.

(60) M. F. 64848

CORRESPONDENCE FILE

To Stubbeman, McRae, et al
From

Dated 12-9-75

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

RECEIVED
NOV 25 1975
General Land Office

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the ~~AREA~~ NE part, Abst. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.

ACRES 175 COUNTY Loving and Ward*

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

BY STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Walter C. Beardsley
Walter C. Beardsley

DATE Nov. 24, 1975 POST OFFICE Box 2263

Austin, Texas 78767

* or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

61.

M. 64848
Application for Extension
File Dated 11-25-75
Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 2nd day of December, 1975, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 16th day of December, 1975.

Legal Am
Rental _____
Min. A/c _____
Min. Map JS

Bob Armstrong
Commissioner of the General Land Office

62.

M. 64848

Extension

File Dated 12-2-75

Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 11-25-75
Reg. No. 35023

GENERAL LAND OFFICE

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

RECEIVED
DEC 27 1975

General Land Office

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of NE Part except the NE 175 acres thereof and
TRACT the SW Part ~~AREA~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.

ACRES 331, more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

By STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

By Walter Beardsley

DATE December 24 1975 POST OFFICE Box 2263
Austin, Texas 78767

(63.)

M.

64848

Application for Extension

File Dated 12-27-75

Bob Armstrong, Commissioner

RECEIVED

JAN 8 1976

General Land Office

SUPPLEMENTAL DRILLING AFFIDAVIT

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared Donald Lee Smith, known to me to be a credible person, who after being by me duly sworn, upon his oath does/depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m., on the Bass-Quasar WLR Unit (State No. 1), located 1000' FNWL and 10,080' FNEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling operations have continued to this date. On January 1 at 6:00 a.m., the well was drilling at a depth of 19,224 ' and is presently drilling at a depth of 19,224 ', with future drilling operations expected to continue to the objective depth of 19,500'.

Donald Lee Smith
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this the 1 day of January, 1976.

W. H. Bremer
Notary Public in and for
Loving County, Texas

THE STATE OF TEXAS:

COUNTY OF LOVING:

RECEIVED

JAN 8 1976

General Land Office

BEFORE ME, the undersigned authority, on this day personally appeared Donald H. Smith, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 1 day of January, 1976

W. H. Brewer
Notary Public in and for
Loving County, Texas

(64.)

M. 64848
Drilling Affidavit
File Dated 1-8-76
Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving, County, Texas: and

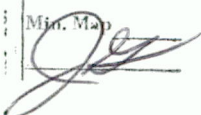
WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty (30) days from and after the 1st day of January, 1976, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 13th day of January, 1976.

Legal _____
Rental _____
Min. A/c _____
Min. Map _____




Commissioner of the General Land Office

65.

M. 64848
Extension
File Dated 1-1-76
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 12-27-75
Reg. No. 41851

GENERAL LAND OFFICE

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Dec. 24, 1975

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, NE Part except the NE 175 acres of the NE
Part, and SW Part, Abstract 1268, Ward County, Section
76, Block 33, H&TC Ry. Co. Survey, Loving and Ward
Counties, The WLR Unit

RECEIVED

DEC 27 1975

General Land Office

Dear Sir:

Enclosed herewith is Application for Extension of
captioned oil and gas lease together with Forest Oil Corporation
check in the amount of \$3,000.00.

A drilling affidavit to be dated January 1, 1976 will
reach you in due course.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

dc - 3,000.00

41852

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

(66)

M. F. 64848

CORRECTION FILE

To Stappeman, Mike et al
From

Dated 12-24-75

RECEIVED

JAN 8 1976

General Land Office

FRANK STUBBEMAN
HAMILTON E. MCRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAN
ROBERT J. COWAN
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WALTER K. BOYD
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RODNEY W. SATTERWHITE
HAL L. KEMPF
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
JAMES V. HAMMETT
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON
REX AMINI
RICHARD E. BOOTH

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Jan. 7, 1976

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, American Quasar-Bass Enterprises,
WLR Unit, Loving County, Texas

Dear Sir:

Reference is made to our December 24th letter transmitting Forest Oil Corporation check in the amount of \$3,000.00, together with Application for Extension of captioned state lease.

Enclosed herewith is drilling affidavit for January 1, 1976.

Please direct the Commissioner's Extension Order to the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

67.

64848

CORRESPONDENCE FILE

To Stubbeman, McEae, et al
From

Dated 1-7-76

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

RECEIVED
DEC 27 1975
General Land Office

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the NE part, Abstract 1268, Ward County
~~AREA~~
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.
ACRES 175 COUNTY Loving and Ward *

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

BY STUBBEMAN, McRAE, SEALY, LAUGHEIN & BROWDER
Individual or Company

By Walter Browder

DATE December 24 1975 POST OFFICE Box 2263
Austin, Texas 78767

* or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

(68.)

M. 64848

Application for Extension

File Dated 12-27-75

Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 1st day of January, 1976, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 15th day of January, 1976.

Legal Comm

Rental _____

Min. A/c _____

Min. Map JS

Bob Armstrong
Commissioner of the General Land Office

(69.)

M. 64848

Extension

File Dated 1-1-76

Bob Armstrong, Commissioner

RECEIVED AS STATED
\$3,000.00

Date 12-27-75

Reg. No. 41852

GENERAL LAND OFFICE

RECEIVED

JAN 28 1976

General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 1970, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of NE Part except the NE 175 acres thereof
TRACT and the SW Part ~~AREA~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.

ACRES 331, more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

By STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Walter Bransley

DATE Jan. 23, 1976 POST OFFICE Box 2263

Austin, Texas 78767

70.

M. 64848
Application for Extension
File Dated 1-28-76
Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW/Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty (30) days from and after the 31st day of January, 1976, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 17th day of February, 1976.

Legal Com
Rental _____
Min. A/c _____
Min. Map JS

Bob Armstrong
Commissioner of the General Land Office

(71)

M. 64848

Extension

File Dated 1-31-76

Bob Armstrong, Commissioner

RECEIVED AS STATED

\$3,000.00

Date 1-24-76

Reg. No. 50805

GENERAL LAND OFFICE

JAN 28 1976

General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

TRACT NE 175 acres of the ~~XXXX~~ NE Part, Abst. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.

ACRES 175 COUNTY Loving and Ward*

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL COMPANY

Individual or Company

By STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By Walter Beards

DATE Jan. 23, 1976 POST OFFICE Box 2263

Austin, Texas 78767

* or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said block is the North line of Section 76.

(72)

M 64848
Application for Extension
File Dated 1-28-76
Bob Armstrong, Commissioner

EXTENSION OF OIL AND GAS LEASE

GENERAL LAND OFFICE

AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Act, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76, for a period of thirty (30) days from and after the 31st day of January, 1976, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 17th day of February, 1976.

Legal

Rental

Min. A/c

Min. Map

Bob Armstrong
Commissioner of the General Land Office

(94.)

W 64848
Extension
File Dated 1-31-76
Bob Armstrong, Commissioner

RECEIVED AS STATED
\$ 3,000.00

Date 1-24-76
Reg. No. 50807

GENERAL LAND OFFICE

SUPPLEMENTAL DRILLING AFFIDAVIT

RECEIVED

FEB 10 1976

General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared L. J. Melch, known to me to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m. on the Bass-Quasar WLR Unit (State No. 1), located 1000' FNWL and 10,080' FNEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling operations have continued to this date. On January 31 at 11:00 a.m., the well was ^{Fishing} drilling at a depth of 18,528 ' and is ~~presently~~ drilling at a depth of 19,371 ', with future drilling operations expected to continue to the objective depth of 19,500'.

L. J. Melch
Rig Superintendent

SUSCRIBED AND SWORN TO BEFORE ME, this the 31 day of

JANUARY, 1976.

Fishing operations ARE NOW IN PROGRESS. The well will be drilled deeper either by cleaning up the fish or by a side tracked hole.

W. H. Brum
Notary Public in and for
Loving County, Texas

RECEIVED
FEB 10 1976
General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned authority, on this day personally appeared T. J. Melh, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 1-31-76 day of 1-31-, 1976.

(73.)

64848

M

Drilling Affidavit

File Dated

2-10-76

Bob Armstrong, Commissioner

RECEIVED

JAN 28 1976

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
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ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
WALTER K. BOYD
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JOSEPH V. CRAWFORD
MICHAEL J. CANON
REX AMINI
RICHARD E. BOOTH

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A. C. 915 682-1616

AUSTIN, TEXAS, General Land Office
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A. C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Jan. 27, 1976

Commissioner General Land Office
State of Texas
FOR HAND DELIVERY

Re: M-64848, NE Part except the NE 175 acres of the NE
Part, and SW Part, Abstract 1268, Ward County,
Section 76, Block 33, H&TC Ry. Co. Survey, Loving
and Ward Counties, the WLR Unit

Dear Sir:

Enclosed herewith is Application for Extension of
captioned oil and gas lease. Forest Oil Corporation
check in the amount of \$3,000.00 was transmitted to you
with our letter of 23 January.

A drilling affidavit to be dated January 31, 1976 will
reach you in due course.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

(75.)

M. F. 64848

CORRESPONDENCE FILE

To Stappeman, McLaue, et al
-- OM

Dated 1-27-76

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. FARDUE
JAMES G. NOLAND
ROBERT J. COWAN
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WALTER K. BOYD
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JOSEPH V. CRAWFORD
MICHAEL J. CANON
REX AMINI
RICHARD E. BOOTH

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A. C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A. C. 512 476-3502

RECEIVED

FEB 10 1976

General Land Office

ADDRESS REPLY TO: Austin, Texas
Feb. 9, 1976

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, American Quasar-Bass Enterprises,
WLR Unit, Loving County, Texas

Dear Sir:

Reference is made to our January 27th letter transmitting Forest Oil Corporation check in the amount of \$3,000.00, together with Application for Extension of captioned state lease.

Enclosed herewith is drilling affidavit for January 31, 1976.

Please direct the Commissioner's Extension Order to the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By *Walter C. Beardsley*
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

76.

M. F. 64848

CORRESPONDENCE FILE

To Stubbeman, McLaue, et al
FROM

Dated 2-9-76

RECEIVED
FEB 26 1976
General Land Office

APPLICATION FOR EXTENSION OF OIL & GAS LEASE

Hon. Bob Armstrong, Commissioner
General Land Office
Austin, Texas 78701

Under the provisions of Senate Bill No. 148, Chapter 255, Acts of the 53rd. Legislature, 1953, Article 5382e, V. A. C. S., providing for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd. Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th. Legislature, 1939, Chapter 82, Acts of the 50th. Legislature, 1947, and other applicable laws, the undersigned hereby applies for a 30 day extension of the oil & gas lease held by the lessee on the tract of land described below and dated the 4th day of August, 19 70, and being Mineral File No. M-64848 in the General Land Office, so as to include the provisions of said statute.

Enclosed herewith is \$ 3,000.00, the consideration required for this extension under the above Act.

All of NE Part except the NE 175 acres thereof
TRACT and the SW Part ~~XXXXXX~~ Abst. No. 1268, Ward County
(Bay, River, etc.)

SECTION 76 BLOCK 33 TSP. SURVEY H&TC Ry. Co.
ACRES 331, more or less COUNTY Loving and Ward

(Only one lease should be included in this application, and the land must be described the same as in the lease originally granted.)

FOREST OIL CORPORATION
Individual or Company
By STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

By Walter Beasley

DATE Feb. 26, 1976 POST OFFICE Box 2263
Austin, Texas 78767

(77)

M 64848
Application for Extension

File Dated 2-26-76

Bob Armstrong, Commissioner

SUPPLEMENTAL DRILLING AFFIDAVIT

RECEIVED

MAR 5 1976

General Land Office

THE STATE OF TEXAS:

COUNTY OF LOVING:

BEFORE ME, the undersigned, a Notary Public in and for Loving County, Texas, on this day personally appeared Donald D. Smith, known to me to be a credible person, who after being by me duly sworn, upon his oath does depose and state as follows:

That he is employed by Loffland Brothers Company in the capacity of Rig Superintendent and that at this time he is the Rig Superintendent and is in charge of Loffland Brothers Company Rig No. 206, which is still on location. Further, that he knows of his own personal knowledge that actual drilling operations were commenced on August 2, 1975, at 10:32 p.m., on the Bass-Quasar WLR Unit (State No. 1), located 1000' FNWL and 10,080' FNEL, Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. Drilling and testing operations have continued to this date. On March 1 at 9:45 a.m., the well was drilling and testing at a depth of 19,200' and is presently drilling and testing at a depth of 19,200', with future drilling and testing operations expected to continue.

Donald D. Smith
Rig Superintendent

SUBSCRIBED AND SWORN TO BEFORE ME, this the 1 day
of March, 1976.

Elgin R. Jones
Notary Public in and for
Loving County, Texas

THE STATE OF TEXAS:

COUNTY OF LOVING:

RECEIVED

MAR 5 1976

General Land Office

BEFORE ME, the undersigned authority, on this day personally appeared Ronald D. Smith, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and that all the facts stated in the foregoing Supplemental Drilling Affidavit were true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 1
day of March, 1976.

Elgin R. Jones
Notary Public in and for
Loving County, Texas

(78)

M. 64848
Drilling Affidavit
Filed Dated 3-5-76
cc Long, Commissioner

EXTENSION OF OIL AND GAS LEASE
GENERAL LAND OFFICE
AUSTIN, TEXAS

WHEREAS, State Lease No. M-64848 covering the hereinafter described tract of land was issued to Forest Oil Corporation on the 4th day of August, 1970, and known as: NE & SW Pts. of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and

WHEREAS, Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases issued pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for the extension thereof in accordance with said Acts, and paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Bob Armstrong, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, as shown on the official map of Loving County on file in the General Land Office of the State of Texas, less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas also as shown on the official map of Loving County on file in the General Land Office of the State of Texas, containing 331 acres, more or less, for a period of thirty (30) days from and after the 1st day of March, 1976, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal thereof, this the 12th day of March, 1976.

Legal LCM

Rental _____

Min. A/c _____

Min. Map JH

Bob Armstrong
Commissioner of the General Land Office

M 64848
Extension
File dated 3-1-76
Bob Armstrong, Commissioner

GENERAL LAND OFFICE

FRANK STUBBEMAN
HAMILTON E. MCRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDUE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
J. J. BOWDEN
NICHOLAS C. TAYLOR
T. B. WRIGHT
JOE D. MERONEY
ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

RECEIVED
FEB 26 1976
General Land Office

AUSTIN, TEXAS
800 VAUGHN BUILDING - ZIP CODE 78701
P. O. BOX 2263 - ZIP CODE 78767
A.C. 512 476-3502

ADDRESS REPLY TO: Austin, Texas
Feb. 26, 1976

Commissioner General Land Office
State of Texas

FOR HAND DELIVERY

Re: M-64848, NE Part except the NE 175 acres of the NE Part, and SW Part, Abstract 1268, Ward County, Section 76, Block 33, H&TC Ry. Co. Survey, Loving and Ward Counties, the WLR Unit

Dear Sir:

Enclosed herewith is Application for Extension of captioned oil and gas lease and Forest Oil Corporation check in the amount of \$3,000.00.

A drilling affidavit to be dated March 1, 1976 will reach you in due course.

Very truly yours,

STUBBEMAN, MCRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation ✓
Attn: Robert J. Castor
Box 1916
Midland 79701 ✓

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

dr. 3,000.00

63796

171

(80)

I. F. 64848

CORRESPONDENCE FILE

To Stuppeman, McLaue,
FROM et al

Dated 2-26-76

FRANK STUBBEMAN
HAMILTON E. McRAE
TOM SEALY
BOYD LAUGHLIN
FRED M. CASSIDY
WM. B. BROWDER, JR.
WALTER C. BEARDSLEY
W. F. PENNEBAKER
DURWARD M. GOOLSBY
RECTOR CANNON
JAMES L. PARDEE
JAMES G. NOLAND
ROBERT J. COWAN
ROBERT K. HUDSON
MILTON L. BANKSTON
HARRELL FELDT
SMITH RAY
J. P. WORD
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T. B. WRIGHT
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ALVIN WALVOORD, JR.
RODNEY W. SATTERWHITE
HAL L. KEMPF
DAMON R. CAPPS
JO ANNE CHRISTIAN
JOE R. GREENHILL, JR.
KENNETH F. JONES
DANIEL W. HERD
DAVID K. BROOKS
JOSEPH V. CRAWFORD
MICHAEL J. CANON

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

ATTORNEYS AT LAW
MIDLAND, TEXAS 79701
MIDLAND SAVINGS BUILDING
P. O. BOX 1540
A.C. 915 682-1616

AUSTIN, TEXAS
800 VAUGHN BUILDING-ZIP CODE 78701
P. O. BOX 2263-ZIP CODE 78767
A.C. 512 476-3502

RECEIVED
MAR 5 1976
General Land Office

ADDRESS REPLY TO: Austin, Texas
March 3, 1976

Commissioner General Land Office
State of Texas
Austin, Texas 78701

Re: M-64848, American Quasar-Bass Enterprises,
WLR Unit, Loving County, Texas

Dear Sir:

Reference is made to our February 26th letter trans-
mitting Forest Oil Corporation check in the amount of
\$3,000.00, together with Application for Extension of
captioned State lease.

Enclosed herewith is drilling affidavit for March 1,
1976.

Please direct the Commissioner's Extension Order to
the undersigned at Box 2263, Austin 78767.

Very truly yours,

STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER

By

Walter C. Beardsley
Walter C. Beardsley

WCB:vj
Encl.

cc: Forest Oil Corporation
Attn: Robert J. Castor
Box 1916
Midland 79701

cc: Bass Enterprises Production Company
Attn: Robert B. Coleman
Ft. Worth National Bank Bldg.
Ft. Worth 76102

(81.)

M. F. 64848

CORRESPONDENCE FILE

TO Stuppenan, McRae,
FROM et al

Dated 3-3-76

March 12, 1976

Stubbeman, McRae, Sealy, Laughlin
& Browder
Attorneys at Law
P. O. Box 2263
Austin, Texas 78767

Attention: Mr. Walter C. Beardsley

Re: State Lease M-64848
WLR Unit, Loving County, Texas

Dear Mr. Beardsley:

Please find enclosed herewith Extension of Oil and Gas Lease covering the above captioned Lease.

Your remittance in the amount of \$3,000.00 tendered to this office in order to extend this Lease for a thirty day period, from March 1, 1976, has been applied and a receipt for this amount is enclosed.

Sincerely yours,

Bob Armstrong

By:

V. C. Morelle, Attorney

VCM/aln

Enc.

82.

M. F. 64848

CORRESPONDENCE FILE

To *Stuppenman, McLa, et al*
Xm

Dated 3-12-76

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

State Fee M-64848
4-55715 Amended

FORM W-1
(Rev. 12-18-69)

API Well No. 42

SPS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify)

SEP 4 - 1975

1. Operator Bass Enterprises Production Company	4. Lease Name Bass-Quasar WLR Unit (State) #1	7. RRC District 8
2. Address (including City and Zip Code) P. O. Box 2760 Midland, Texas 79701	5. Location (Sec., Blk., Survey) 1,000 FNNL, 10,080 FNEL Section 76, Block 33, H&TC	8. County Loving
3. Is Form 7 in Exact Operator Name Filed? YES ☒ NO ☐	6. This well is to be located 4 miles SSW Direction from Mentone, Texas Nearest Post Office or Town.	9. Well Number 1
		10. Number of Acres in Lease 207
		11. Distance from Proposed Location to Nearest Property or Lease Line (ft.) 774'

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (if applicable)	15. Field Rule Spacing Pattern (Distance to Lease Line & distance between wells. If no special rules indicate Rule 37.)	16. Field Rule Proration Unit Pattern (Acres. If no special rules indicate Rule 38.)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well in same field? (Yes or No. If Yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested.
Wildcat ABOVE 22,000	22,000	NA	Rule 37	Statewide	207	No	None	Yes	Gas	0
Amended distance to Lease line										

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE
I declare under penalties prescribed in Article 6035c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

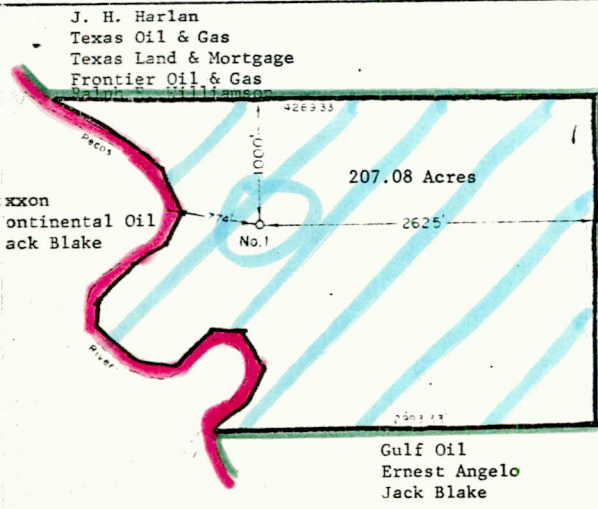
REMARKS: Plat attached.
To Amend Distance to Lease Line

William P. Foster William P. Foster
Signature
Sr. Petroleum Engineer
Date August 21, 1975
Telephone: Area Code 915 684-5723

6500 S.E. of Wheat Fl.

- OVER -

D & A 3/9/76 (SAS)
T.D. 19,200



Forest Oil
Continental Oil
Texas Oil & Gas

Elevations: Top of concrete cellar, 2660.9
Top of rotary drive bushing, 2683.4

Texas Land & Mortgage
Frontier Oil & Gas

DATE SURVEYED: July 25, 1975
WEATHER: Cloudy, Warm
P.C.: J. W. West
CHAIN: K. Thomason
C. Alderman

Block 33, H & TC RR Co
LOVING COUNTY, TEXAS

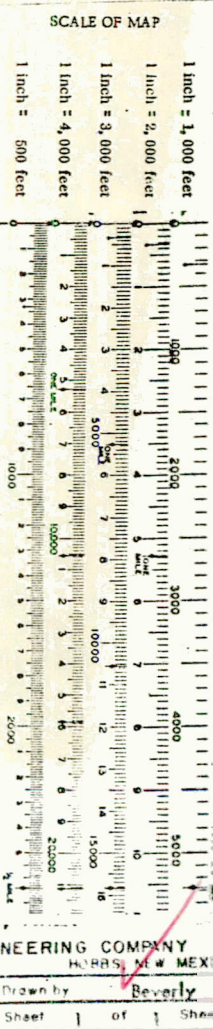
RECEIVED
R.R.C. OF TEXAS
AUG 22 1975
MIDLAND, TEXAS

I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

JOHN W. WEST

JOHN W. WEST ENGINEERING COMPANY
REGISTERED PROFESSIONAL ENGINEER
TEXAS R.P.S. NO. 1138

BASS ENTERPRISES PRO	
Bass-Quasar WLR Unit (SN)	
feet from the northwest line	
northeast line of Section 7	
Co. Survey, Loving Count.,	
JOHN W WEST ENGINEERING COMPANY CONSULTING ENGINEERS HOUSTON, TEXAS	
Scale 1"=1000'	Drawn by Beverly
Date 26. 1975	Sheet 1 of 1



8-26-75
SUNSHINE PLAT SERVICE
P. O. DRAWER 1887, AUSTIN, TEXAS 78703

KPI Welt Nr. 42

SPS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify) AUG 13 1975

7. KKC District

8

8. County

Loving

9. Well Number	
----------------	--

10. Number of Acres in Lease	
------------------------------	--

207

11.	Distance from Proposed Location to Nearest Property or Lease Line (ft.)
-----	---

577

EACH PROPOSED COMPLETION

12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.
FIELD NAME (Exactly as shown on R. R. C. Protraction Schedule including Reservoir if applicable.) If Wildcat, so state below.	Completion Depth	RRC Lease or ID Number (if applicable)	Field Rule Spacing Pattern, (Distance to lease line & distance between wells. If no special rules, indicate Rule 37.)	Field Rule Protraction Unit Pattern, (Acres, if no special rules, indicate Rule 38.)	Number of Acres in Drilling Unit for this Well	Is this acreage presently assigned to another well in same lease? (Yes or No, if yes, explain in remarks.)	Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	Is this a Regular Location? (Yes or No)	Oil, Gas, or other Type Well (Specify)	Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested.
										OIL GAS
Wildcat <i>Abacus 2000</i>	22,000	NA	Rule 37	Statewide 38	207	No	None	Yes	Gas	0 0
<i>Abacus 2000</i> Location R.R.C. LEASES JUL 20 1975										

NOTICE

NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

REMARKS: Plat Attached.

Texas Water Development Board has been contacted.

1 1/4 mi. SE of Wheat Field.

CERTIFICATE

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

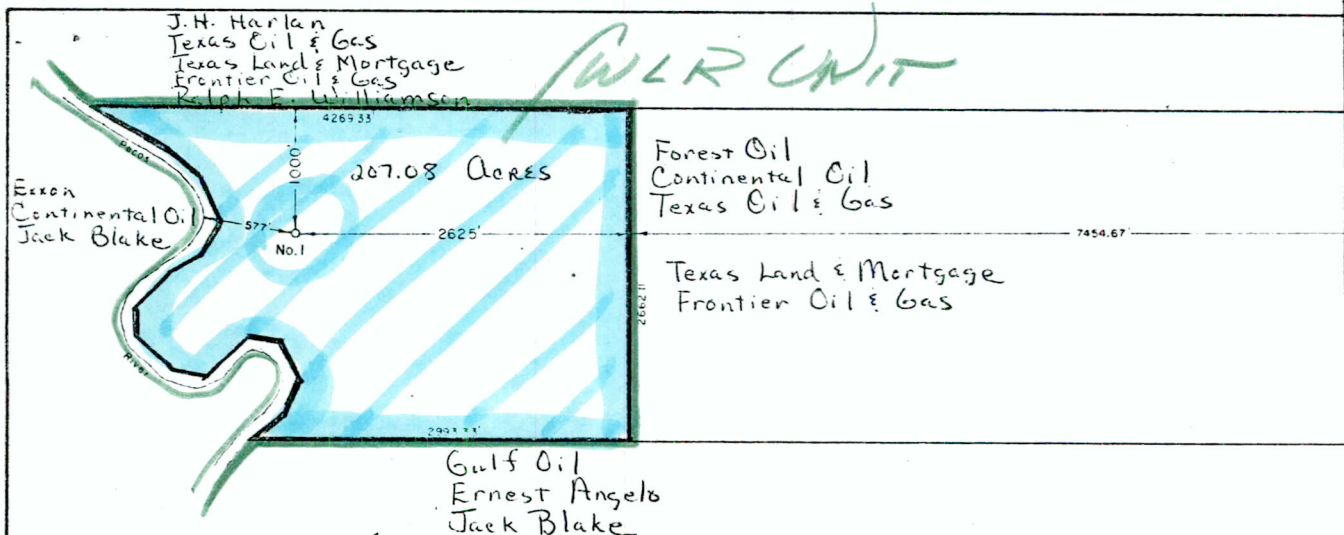
Signature _____
Senior Petroleum Engineer

Title
July 28, 1975

Date _____
Telephone: Area Code 915

684-5723

- O V E R -

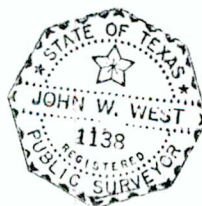


DATE SURVEYED: July 25, 1975
WEATHER: Cloudy, Warm
P.C.: J. W. West
CHAIN: K. Thomason
C. Alderman

R.R.C. OF TEXAS
JUL 29 1975
D. G.
MIDLAND, TEXAS

Block 33, H & TC
LOVING COUNT

11-1000'



I HEREBY CERTIFY THAT THIS PLAT WAS
MADE FROM NOTES TAKEN IN THE FIELD IN
A RONA FIDE SURVEY MADE UNDER MY SUPER-
VISION, AND THAT THE SAME IS TRUE AND
CORRECT TO THE BEST OF MY KNOWLEDGE
AND BELIEF.

JOHN W WEST NM PE & LS NO 676
TEXAS HPS NO 1138

BASS ENTERP

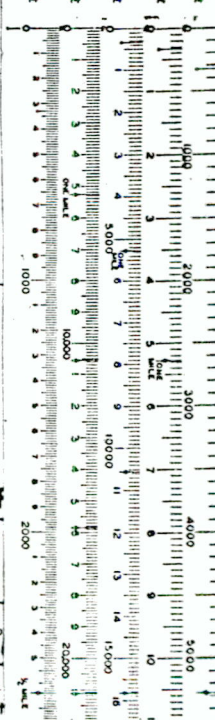
Bass-Quasar WRL
feet from the north
northeast line of section 20, block 33, H &
Co. Survey, Loving County, Texas.

JOHN W. WEST ENGINEERING COMPANY
CONSULTING ENGINEERS HARRIS, N.J.

Scale 1" = 1000'

SCALE OF MAP

```
1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 500 feet
```



API: **LOVING** DIST. 8
API NO. 42 301 30051 Unit includes **11.55 775 (Fee)** M-64848 (Fee) M-66109 & M-66110 (River) M-71912 (Fee)

SPS APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify) **AUG 1 - 1975**

1. Operator: **Bass Enterprises Production Company**
2. Address (Including City and Zip Code): **Box 2760 Midland, Texas 79701**

3. Is Form 7 in Exact Operator Name Filed?
YES ☒ NO ☐

4. Lease Name: **Bass - Quasar WLR Unit (State) #1**
5. Location (Sec., Bk., Survey): **1330' FNL, 9380' FNL Section 76, Block 33, H&TC Survey**
6. This well is to be located **4** miles **SSW** Direction from **Mentone, Texas**
Nearest Post Office or Town: **1148'**

7. RRC District: **8**
8. County: **Loving**
9. Well Number: **1**
10. Number of Acres in Lease: **207**
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): **1148'**

EACH PROPOSED COMPLETION											
12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	
FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	Completion Depth	RRC Lease or ID Number (If applicable)	Field Rule Spacing Pattern (Distance to lease line & distance between wells. If no special rule, indicate Rule 37.)	Field Rule Proration Unit Pattern (Acres. If no special rule, indicate Statewide Rule 38)	Number of Acres in Drilling Unit for this Well	Is this acreage presently assigned to another well in same field? (Yes or No. If yes, explain in remarks.)	Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	Is this a Regular Location? (Yes or No)	Oil, Gas, or other Type Well (Specify)	OIL	GAS
Wildcat ABOVE 22000	22,000	NA	Rule 37	Statewide 38	207	No	None	Yes	Gas	0	0
RECEIVED R.R.C. OF TEXAS JUL 25 1975 D.D. MIDLAND, TEXAS											

NOTICE
NO ALLOWABLE WILL BE ASSIGNED TO any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

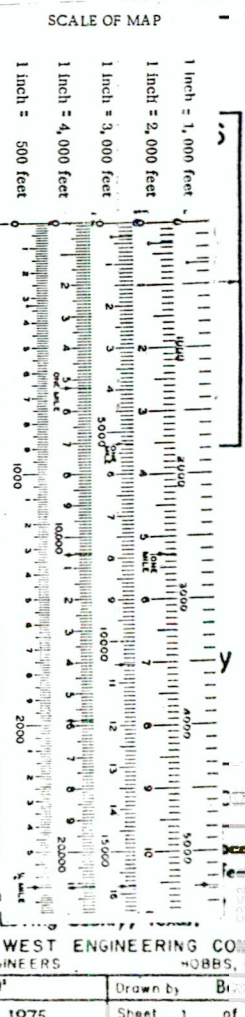
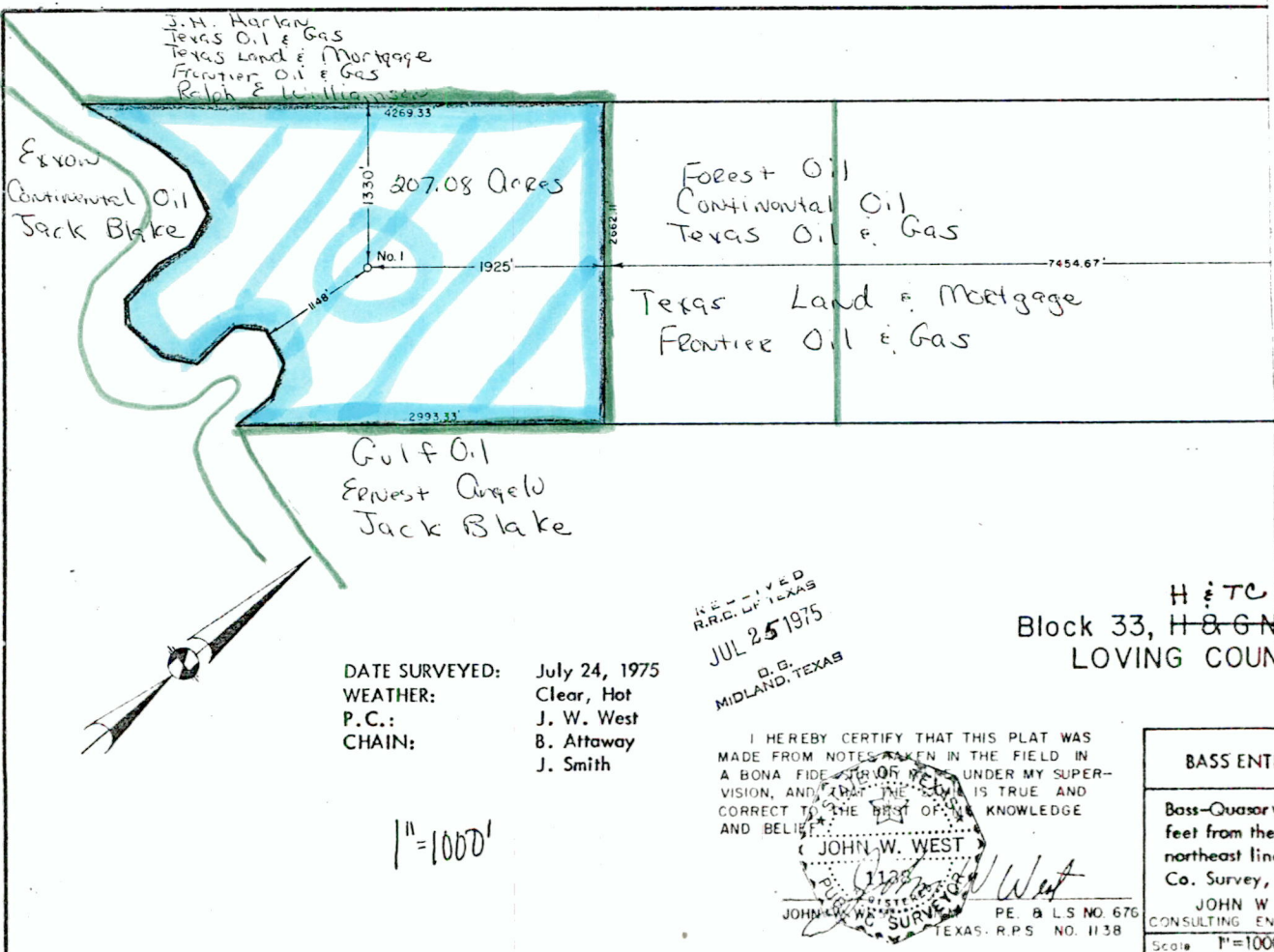
REMARKS: **Plat Attached.**
Texas Water Development Board has been contacted.

CERTIFICATE
I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

William P. Foster
Signature
Senior Petroleum Engineer
Title
July 25, 1975
Date
Telephone: Area Code **915** **684-5723**

6300 S.E. of Wheat 41d.

- OVER -



RECEIVED R.R.C. OF TEXAS JUL 25 1975 D.D. MIDLAND, TEXAS

H & TC
Block 33, H & TC
LOVING COUN

I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

JOHN W. WEST
JOHN W. WEST SURVEYOR P.E. & L.S. NO. 676 TEXAS R.P.S. NO. 1138

BASS ENTERPRISES PRODUCTION CO.
FORT WORTH NATIONAL BANK BUILDING
FORT WORTH, TEXAS 76102

August 1, 1975

RECEIVED

AUG 5 1975

General Land Office

CERTIFIED - RETURN RECEIPT REQUESTED

General Land Office
State of Texas
Austin, Texas 78701

~~M-53715~~
M-64848
RE: Bass-Quasar WRL Unit
(State) No. 1 Well
Loving County, Texas

Gentlemen:

Pursuant to the terms of State of Texas Oil and Gas Lease No. 64878, this is to notify you that the subject well was spudded on said Lease at 12:37 p.m. on July 30, 1975.

The Lease covers the NE and SW parts of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, containing 506 acres, as shown on the official map of Loving County now on file in the General Land Office.

The well is located 1,000 feet from the northwest line and 2,625 feet from the northeast line of the southwest 207 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas. A plat showing the location of the well is enclosed.

Very truly yours,

James M. Deacon, Jr.
James M. Deacon, Jr.

JMD:arm
Encl.

CC: Forest Oil Corporation
P. O. Box 1916
Midland, Texas 79701

American Quasar Petroleum Co.
606 Vaughn Building
Midland, Texas 79701

Original in file

WELL STATUS REPORT

OPERATOR Bass Enterprises Prod. Co.

STATE LEASE NO. M-55715 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bass-Quasar WLR Unit-State WELL NO. 1

FIELD NAME WILDCAT Yes COUNTY Loving

REPORT NO. 1 SPUD DATE 8-2-75 DRILLING DEPTH 1000 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: They spudded this location at: 10:30 P.M. on August 2, 1975. The lease
was to run out on August 4, 1975 at Midnight ? So they made it with time to spare
from looks of 1000 feet depth ? I was at the rig just before 8:00 A.M. on
Monday Morning- August 4, 1975 ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE August 4, 1974

WELL STATUS REPORT

OPERATOR Bass Enterprises Prod.Co.

STATE LEASE NO. M-55715 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bass-Quasar WLR State Unit #1 WELL NO. 1

FIELD NAME WILDCAT Yes COUNTY Loving

REPORT NO. 2 SPUD DATE 8-2-75 DRILLING DEPTH 11,767 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: Set 9 5/8 casing at this depth and will start with smaller bit ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE Sept 24, 1975

WELL STATUS REPORT

OPERATOR Enterprises Prod. Co.

STATE LEASE NO. M-55715-66109 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bass-Quasar WLR Unit #1 WELL NO. 1

FIELD NAME WILDCAT Yes COUNTY Loving

REPORT NO. 3 SPUD DATE 8-2-75 DRILLING DEPTH 16,100 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Oct 21, 1975

WELL STATUS REPORT

OPERATOR Bass Enterprices Prod.Co.

STATE LEASE NO. M-55715-M-64848 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Bass-Quasar WLR Unit #1 WELL NO. 1

FIELD NAME WILDCAT Yes COUNTY Loving

REPORT NO. 4 SPUD DATE 8-2-75 DRILLING DEPTH 16,220 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Nov 11, 1975

WELL STATUS REPORT

OPERATOR Bass Enterprises Production Co.

STATE LEASE NO. M-55715-M-64848 FEE Yes R.A.L. ~~FREE~~ ROYALTY

OFFSET, APPROX. _____ FT. FROM STATE LEASE _____

LEASE Bass-Quasar WLR Unit. WELL NO. 1

FIELD NAME _____ WILDCAT Yes COUNTY Loving

REPORT NO. 5 SPUD DATE 8-2-75 DRILLING DEPTH 18,100 feet

COMPLETION DATE _____ TOTAL DEPTH _____

PERFS_____ 1ST COMPLETION: YES_____ NO_____

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gS

2-25-75

James Heathridge
INSPECTOR
Dec 3 1975

INSPECTOR

Dec 3, 1975

DATE _____

83

M. F. 64848

APPLICATION TO DRILL

WELL # 1

FILED 3-12 1976

BOB ARMSTRONG, COMMISSIONER

BY: MMH

Exploration and Development

Lease Status Report

DO NOT DESTROY

DATE

NAME

TO: Mineral Acctg. 4-14-76 M. H. JANSZEN

M.F. No. 64848

Lease CATFISH UNIT

County LOVING

Operator FOREST OIL CORP

Effective Date

☐ P & A (Last Well on Lease) _____

☒ First Producing Well on Lease 4-8-76

☐ Commingle Production _____

☐ Unit & Pooling Agreements _____

☐ Amendments to Units _____

☐ Other: Note Below _____

Part of lease in unit.

Unit well completed 4/8/76,

pot: 15 MMCF.

BZM
4/14/76

WELL STATUS REPORT

OPERATOR Forest Oil Corp.

STATE LEASE NO. M-64848 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Catfish Unit WELL NO. 1

FIELD NAME Vermejo Ellen. WILDCAT COUNTY Loving

REPORT NO. 1 SPUD DATE 7-26-75 DRILLING DEPTH 2631 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS: This location was Spudded in at 10:00 P.M. July 26, 1975. I was at this
rig on Monday Morning (August 4, 1975 at about 9:30 A.M.) I talked to the two (2)
tool pusher's and went to their trailer house for coffee and visited a short
time with them as they were going to change tower at this time ?

BA/jmh/gs

2-25-75


INSPECTOR

DATE August 4, 1975

WELL STATUS REPORT

OPERATOR Forest Oil Corp.

STATE LEASE NO. M-64848 & M-64847 FEE X R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Catfish Unit WELL NO. 1

FIELD NAME Vermejo Ellen. WILDCAT COUNTY Loving

REPORT NO. 2 SPUD DATE 7-26-75 DRILLING DEPTH 11,340 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Sept 24, 1975

WELL STATUS REPORT

OPERATOR Forest Oil Corp.

STATE LEASE NO. M-64848 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Catfish WELL NO. 1

FIELD NAME Vermejo Ellen. WILDCAT COUNTY Loving

REPORT NO. 3 SPUD DATE 7-26-75 DRILLING DEPTH 13,087 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Oct 21, 1975

WELL STATUS REPORT

OPERATOR Forest Oil Corp.

STATE LEASE NO. M-64848 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Catfish Unit WELL NO. 1

FIELD NAME Vermejo Ellen. WILDCAT COUNTY Loving

REPORT NO. 4 SPUD DATE 7-26-75 DRILLING DEPTH 15,000 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Nov 11, 1975

WELL STATUS REPORT

OPERATOR Forest Oil Corp.

STATE LEASE NO. M-64848-64847 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Vermejo Ellen. WELL NO. 1

FIELD NAME Catfish Unit WILDCAT COUNTY Loving

REPORT NO. 5 SPUD DATE 7-26-75 DRILLING DEPTH 16,500 feet

COMPLETION DATE TOTAL DEPTH

PERFS 1ST COMPLETION: YES NO

POTENTIAL/TEST: OIL GAS D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE Dec 3, 1975

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79760

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

Attention: Mr. Jack Howard

RECEIVED

FEB 14 1976

General Land Office

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending 2/13/76

Ran 5" liner, P-110 LT&C hung at 21,200'. Top of liner 14,965.
Cemented with 540 sacks. Drilled cement 20,895-21,110,
circulated. Displaced hole, pulled 26 stands to 18,680', spotted
acetic acid, 500 gallons, 15% MSA at 9.8 ppg. Set bridge plug.
Set Otis WB packer at 15,000'. Now picking up 3-1/2" tubing.

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79760

RECEIVED

FEB 21 1976

General Land Office

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

Attention: Mr. Jack Howard

161

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending February 20, 1976

Ran and tested tubing. Nippled down blow out preventor, nipped up tree.

Perforated 18,756, -746, -743, -729, -718, -708, -696, -687.

Acidized with 12,000 gallons 20% using 11 balls. Broke at 8900# to 8.5 bpm at 8100#. Increased to 16 bpm at 9350# with acid. Good ball action. Flowed and tested well at 6 mmscf, 980# FTP 2 to 3 BWPH.

Ran CCL log, and full bore spinner survey. Now running pressure build up test.

RECEIVED

FEB 21 1976

General Land Office

RECEIVED

FEB 21 1976

General Land Office

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79760

RECEIVED

FEB 28 1976

General Land Office

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

Attention: Mr. Jack Howard

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending February 27, 1976

Rig released 2/24/76. Waiting on pipe line connection.

161
RECEIVED

MAR 13 1976

General Land Office

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79760

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

Attention: Mr. Jack Howard

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending March 12, 1976

Installed and tested surface equipment. El Paso completing their sales line.

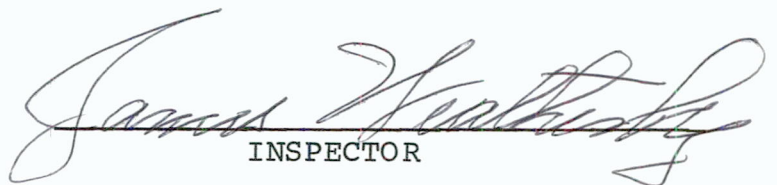
WELL STATUS REPORT

OPERATOR Forest Oil Corp.
STATE LEASE NO. M-64848 FEE Yes R.A.L. FREE ROYALTY
OFFSET, APPROX. FT. FROM STATE LEASE
LEASE Catfish Unit WELL NO. 1
FIELD NAME Vermejo Ellen. WILDCAT COUNTY Loving
REPORT NO. 6 SPUD DATE 7-26-75 DRILLING DEPTH
COMPLETION DATE TOTAL DEPTH 21,200 feet
PERFS 18,687-18,756 feet 1ST COMPLETION: YES NO Right
POTENTIAL/TEST: OIL GAS D&A

REMARKS: Pete: I am told they are still testing on this location this date ?
Its flowed 6 to 7- M.C.F. of gas on test so far but no Potential Test ????

BA/jmh/gs

2-25-75


INSPECTOR

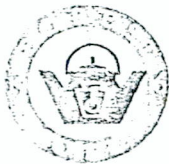
DATE March 25, 1976

RECEIVED

MAR 29 1976

General Land Office

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79700

161

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

Attention: Mr. Jack Howard

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending March 26, 1976

Testing. Well produced 70.9 MMCF in last 7 days. Average daily rate 10.1 MMCF. Average flowing tubing pressure 1200 psi. Average water production 100 BPD (est.) Installing salt water tank.

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79760

161

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

RECEIVED

APR 5 1976

General Land Office

Attention: Mr. Jack Howard

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending April 2, 1976

The well averaged 10 mmcf/d and 45 bwpd for the first 5 days of the week. It was shut in one day for pressure build-up data, and 1 day to clean the separator for additional testing.

RECEIVED

APR 10 1976

General Land Office

FOREST OIL CORPORATION



P.O. Box 153 · Odessa, Texas 79760

161

Mr. Bob Armstrong
Commissioner, General Land Office
Austin, Texas 78701

Attention: Mr. Jack Howard

Re: Catfish #1
Loving County, Texas

WEEKLY REPORT

Week ending 4/9/76

4/3/76 - Completed 4 pt. CAOF 15 mmcsfd. Into pipeline.

Complete - Final Report

WELL STATUS REPORT

OPERATOR Forest Oil Corp.

STATE LEASE NO. M-64848 FEE Yes R.A.L. FREE ROYALTY

OFFSET, APPROX. FT. FROM STATE LEASE

LEASE Catfish Unit WELL NO. 1

FIELD NAME Vermejo Ellen. WILDCAT COUNTY Loving

REPORT NO. 7 SPUD DATE 7-26-75 DRILLING DEPTH

COMPLETION DATE Unkown TOTAL DEPTH 21,200 feet

PERFS 18,687-18,756 feet 1ST COMPLETION: YES X NO

POTENTIAL/TEST: OIL GAS 15-M.C.F./D D&A

REMARKS:

BA/jmh/gs

2-25-75


INSPECTOR

DATE April 8, 1976

84

M. F. 64848

APPLICATION TO DRILL

Forat Oil Corp.

WELL # 1

FILED 4-8 1976

BOB ARMSTRONG, COMMISSIONER

BY: MMH



RECEIVED

MAY 29 1976

FOREST OIL CORPORATION

1500 Colorado National Building · Denver, Colorado 80202

May 27, 1976

The State of Texas
General Land Office
Austin, TX 78701

ATTN: Mr. Harry T. Finnell
Supervisor Gas Contracts
Resource Accounting

Re: State Lease M-64848
Catfish Unit
Loving & Ward Counties
Texas

Gentlemen:

Enclosed please find completed General Land Office Contract Brief Form and a copy of Gas Purchase Agreement dated March 12, 1976, all per your letter of May 19, 1976.

Please note that your letter also refers to State Lease M-64847. That lease is owned by Getty Oil Co. which is now or will be marketing its own share of the gas from this unit under a separate contract to which we are not a party. We therefore request that your inquiry insofar as it pertains to State Lease M-64847 be re-directed to Getty Oil Co.

Very truly yours,

FOREST OIL CORPORATION

Marion A. Fallwell
Legal Department

MAF:ji
Enclosures (2)

85 37
M. F. 64847

CORRESPONDENCE FILE

To Forest Oil

From

Dated 5-27-76

MINERAL ACCOUNTING
MEMORANDUM

(File in "B" File)

RE: M- 64848

Operator _____

Lease _____

County Loving

Split from M- _____
which is

☐

Producing

☐

Nonproducing

Date

Name

FROM: Mineral Accounting

TO: Exploration & Development

11-16-76

Ray Wagenerfuhr

TO: Legal

11-18-76

Ray Wagenerfuhr

NONPRODUCING

____ Delay Rental Due On _____ Not Received

____ Primary Term Expired _____

PRODUCING STATUS

OIL: No production reported from _____ through _____
mo./year mo./year

Oil Royalty Status: ☐ Due \$ _____ ☐ Royalty paid in full

Name _____

GAS: No production reported from _____ through _____
mo./year mo./year

Gas Royalty Status: ☐ Due \$ _____ ☐ Royalty paid in full

Name _____

CATTISH UNIT
WLR UNIT

RENTAL: Please advise producing status of both units

MAPS: The unit well for the Cattish Unit was completed as a gas well, on 4-8-76. Therefore 175 Ac of this lease is in this Unit & OK. 331 Ac. of this lease is not producing and does not have a location on it. 11-17-76 CWF. The WLR Unit well was dry.



M-64848

Acctg Memo

11-18-76

November 23, 1976

Bass Enterprises Production Co.
P.O. Box 2760
Midland, Texas 79701

Re: State Lease M-64848
W.L.R. Unit, 331 Acres
SW/Pt. Sec. 76, Blk 33, H & TC Ry. Co. Survey
Loving County, Texas

Gentlemen:

This letter is to inform you that according to the records of this office, the 331 acres in the above captioned lease described in the W.L.R. Gas Unit expired in March, 1976.

If you have any questions on this matter, please feel free to call and we will be happy to assist you.

Very truly yours,

Bob Armstrong

By: Barbara Fry, Attorney
Energy Resources
Phone: 512-475-6749

BF/mow

(87)

M.E. 62484/8
CORRESPONDENCE FILE

To
Base Enterprise

Dated 11-23-76

No.

12755

FOREST OIL CORPORATION

1500 COLORADO NATIONAL BUILDING
DENVER, COLORADO 80202

23-2

1020

DATE

July 17, 1979

AMOUNT

\$1,750.00

PAY



PAY \$1750.00

DEPOSIT RECEIPT

TO
THE
ORDER
OFCOMMISSIONER OF THE GENERAL LAND OFFICE
AUSTIN, TEXAS 78701COLORADO
NATIONAL BANK

Phone 893-1862

Denver, Colorado 80217

NO.

12755

Shut-in Royalty

ACKNOWLEDGES RECEIPT OF THE ABOVE AMOUNT WHICH YOU STATE IS IN FULL PAYMENT OF LEASE RENTAL PAID THE PARTY OR PARTIES
NAMES BELOW UNDER TERMS OF AN OIL AND GAS LEASE DESCRIBED BELOW FOR THE PERIOD STATED:

State Lease No. 64848

\$1,750.00

AREA Loving, Reeves & Ward-
Mentone

LEASE NO. 4211-4

FOR 12 MONTH PERIOD FROM June 1, 1979

ACRES (MORE OR LESS) 175

COUNTY OR PARISH Loving

STATE Texas

LEASE DATED August 4, 1970

RECORDED: VOL. 32

PAGE 304

Catfish Unit

SHUT-IN

RECEIVED, ON THIS DAY

19

THE AMOUNT SHOWN ABOVE

NOTE: IF RECEIVED BY BANK, ONLY SIGNATURE OF BANK
REQUIRED, PLEASE STAMP, SIGN, DATE (DATE RECEIVED)
AND RETURN THIS RECEIPT BY RETURN MAIL.

BY

TITLE

(FULL SIGNATURE)

M 64848

Tender 3 money

File Dated 7-19-79

Bob Armstrong, Commissioner *by*

5
5
5
5
5

MEMORANDUM

TO: M-66110 and M-64848

FROM: L. Gilbert

DATE: July 19, 1979 AM

SUBJECT: SHUT-IN Royalties -

Because of difficulties not on these lease premises, but in the general area, the plant taking the gas from these two leases shut down for safety purposes. Id, I was spewing. The plant shut down on May 25, 1979 at 6:30 PM. Full production was restored on July 16, 1979. This production was interrupted for less than 60 days -

Today Walter Beardsley, Attorney for Forest Oil, tendered payments of \$1750⁰⁰ and \$3600⁰⁰ under M-66848 and M-~~360000~~⁶⁶¹¹⁰ as shut-in gas payments, if required by the G.L.O.

Today Jack Howard and Linwood Shivers and I and Walter Beardsley conferred on this matter. No lease language speaks directly to the problem of such an occurrence but we decided that no shut-in payment was due since the leases were off production for less than 60 days. This was an administrative decision I made upon the basis of equity since the lease did not speak on the matter. Had the breakdown extended beyond 60 days we would have accepted the money tendered as a shut-in royalty. We accepted a copy of the tender for the record but did not accept the money.

L. Gilbert

89.

M 64848

~~Header of Money~~ Legal Memo

File Dated 7-19-79

Bob Armstrong, Commissioner



May 24, 2005

I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, do hereby certify that the papers, records, and documents of said office show;

That on July 1, 1872, Jacob Kuechler, Commissioner of the Texas General Land Office, issued Land Scrip Certificate No. 40/4853, entitling the Houston and Texas Central Railway Company, by virtue of having completed railway improvements, to 640 acres of land, which land was to be located upon any of the vacant, unreserved, and unappropriated public domain of the State of Texas, in accordance with provisions of its Charter and the general laws governing the same, the grant having been made upon the condition that an alternate section be surveyed for the State, as well as the odd-numbered section for the railway company, and said Land Scrip Certificate was filed in the Texas General Land Office on May 31, 1873, in File Bexar Scrip 3294;

That on April 2, 1873, M. J. Doyle, Deputy Surveyor of Bexar Land District, surveyed 640 acres in Bexar Land District for the Houston and Texas Central Railway Company, by virtue of Certificate No. 40/4853, and compiled field notes thereon, designating it as Section 76, Block 33, which field notes were recorded in Book D, No. 10, Page 144, Surveyor's Records, Bexar Land District, and were filed in the Texas General Land Office on May 31, 1873, in File Bexar Scrip 3294, and are endorsed "Cancelled by corrected field notes of State Surveyor under an Act approved April 2nd, 1887 Chap, 115 Section 3. (dated) July 22/98 (signed) Evon R";

That on September 8, 1888, M. W. Neyland, State Surveyor, resurveyed said Section 76 in Loving County and compiled corrected field notes thereon, showing said tract to contain 640 acres, which corrected field notes were filed in the Texas General Land Office on April 23, 1889, in File Bexar Scrip 3294;

That the file wrapper for File Bexar Scrip 3294 is endorsed: "Abst 5", "Both surveys as resurveyed by State Surveyor correct on map of Loving County (dated) July 22/90 (signed) E von Rosenberg";

That on September 8, 1906, Section 76, Block 33, H & T C Ry Co Survey, Certificate 40/4853, 640 acres in Loving and Ward Counties was awarded to W. N. Meek on his application filed in the Texas General Land Office on August 2, 1906, in School File 89943, and which application was filed to purchase said land under the provisions of Title LXXXVII, Chapter 12A, Revised Civil Statutes of 1895, and the amendments thereto by the Act of May 19, 1897, and the Acts relating to the sale and lease of Public Free School and Asylum

lands, approved April 19, 1901, and April 15, 1905, without settlement, said tract applied for having been classified as wet grazing;

That the old file wrapper for School File 89943 is endorsed: "L Abst 330", "W Abst 649", "640 (drawn through and replaced with 520) acres", "for SW Mid P 128997", "for NE/4 of SW ¼ 130240", "Land Forfeited (dated) 9/11/25 (signed) J W Walker, actg Comr.", "Sold in File 142527";

That the new file wrapper for School File 89943 is endorsed: "old wrapper within";

That on July 6, 1918, J. B. Marshall and wife, Silva Marshall conveyed Section 76, Block 33, H. & T. C. Ry. Co. Survey, in Loving County, to J. R. Beachum, and a certified copy of said deed was filed in the Texas General Land Office on April 7, 1920, in School File 128997;

That the file wrapper for School File 128997 is endorsed: "Abst 919", "orig in 89943", "FN & FF reqd 10-25-46 HHU (again on) 9-22-52 HHU", "F.N. & F.F. reqd 5-28-64 VES";

That on October 26, 1946, payment in full for 80 acres, the SW mid pt of Section 76, Block 33, H & TC Ry Co Survey, Certificate 40/4853, Loving County, was received in the Texas General Land Office on October 26, 1946, and said land, having been classified wet grazing, with no minerals reserved to the State, now stands on the records of the Texas General Land Office as paid in full and unpatented under Abstract 919 and School File 128997;

That on July 6, 1918, J. B. Marshall and wife, Silva Marshall conveyed Section 76, Block 33, H. & T. C. Ry. Co. Survey, in Loving County, to J. R. Beachum, and a certified copy of said deed was filed in the Texas General Land Office on September 7, 1922, in School File No. 130240;

That the file wrapper for School File 130240 is endorsed: "Abst 928", "orig in 89943", "FN & FF reqd 10-25-46 HHU (and again) 9-22-53 HHU", "F.N. & F.F. reqd 5-28-64 VES";

That on October 26, 1946, payment in full for 40 acres, NE ¼ of SW ¼ of Section 76, Block 33, H & TC Ry Co Survey, Certificate 40/4853, Loving County, was received in the Texas General Land Office on October 26, 1946, and said land, having been classified wet grazing, with no minerals reserved to the State, now stands on the records of the Texas General Land Office as paid in full and unpatented under Abstract 928 and School File 130240;

That on September 13, 1926, NE and SW parts of Section 76, Block 33, H & TC Ry Co Survey, Certificate 40/4853, 520 acres in Loving County was awarded to Pecos Valley Alfalfa Land & Oil Co. on the application filed in the Texas General Land Office on June 9, 1926, in School File 142527, and which application was filed to purchase said land under the provisions of Chapter 94, Act Approved March 19, 1925, without settlement, said tract applied for having been classified as wet grazing;

That the file wrapper for School File 142527 is endorsed: "520 (drawn through and replaced with 506) acres", "Land Forfeited (dated) 1/8/1942 (signed) Bascom Giles, Commissioner";

That on October 10, 1951, pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bascom Giles, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-37581, covering "the SW/4 of Section 76, Block 33, H&TC Ry. Co. Survey, containing 186 acres in Loving and Ward Counties, as shown by the official map filed in the Texas General Land Office, to Texas Pacific Coal and Oil Company, for a cash bonus of \$1,899.00, with a primary term of five (5) years, an annual delay rental of \$1.00 per acre, and a royalty to the State of one-eighth (1/8th) of the production of oil and gas from the tract, and, upon the payment of the cash bonus due, and the 1.0% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on October 10, 1951, in Mineral File M-37581;

That the file wrapper for Mineral File 37581 is endorsed: "Expired".

That on October 10, 1951, pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bascom Giles, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-37606, covering "the NE part of Section 76, Block 33, H&TC Ry. Co. Survey, containing 320 acres in Loving County, as shown by the official map filed in the Texas General Land Office, to Sun Oil Company, for a cash bonus of \$4,921.71, with a primary term of five (5) years, an annual delay rental of \$1.00 per acre, and a royalty to the State of one-eighth (1/8th) of the production of oil and gas from the tract, and, upon the payment of the cash bonus due, and the 1.0% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on October 10, 1951, in Mineral File M-37606;

That the file wrapper for Mineral File M-37606 is endorsed: "Expired".

That on November 5, 1963, pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature 1939, Chapter 82, Acts of the 50th Legislature, 1947 and other applicable laws, Jerry Sadler, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-55715, covering "S/2 of Lot 12, S/2 of Lot 11, Lots 13, 14, 15 and 16, Section 76, Block 33, H&TC Ry. Co. Survey, Loving and Ward Counties, containing 186 acres", as shown by the official map filed in the Texas General Land Office, to Texaco Inc., for a cash bonus of \$9,627.78, with a primary term of five (5) years, an annual delay rental of \$5.00 per acre, and a royalty to the State of one-sixth (1/6th) of the production of oil and gas from the tract, and, upon the payment of the cash bonus due, and the 1.0% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on November 5, 1963, in Mineral File M-55715;

That the file wrapper for Mineral File M-55715 is endorsed: "Expired".

That on October 20, 1964, pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature 1947, and other applicable laws, Jerry Sadler, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-56818, covering "NE/2 of Section 76, Block 33, H & TC RR. Co. Survey, Loving County, containing 320 acres", as shown by the official map filed in the Texas General Land Office, to Gulf Oil Corporation, for a cash bonus of \$13,155.20, with a primary term of five (5) years, an annual delay rental of \$5.00 per acre, and a royalty to the State of one-sixth (1/6th) of the production of oil and gas from the tract, and, upon the payment of the cash bonus due, and the 1.0% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on October 29, 1964, in Mineral File M-56818;

That the file wrapper for Mineral File M-56818 is endorsed: "Expired".

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,..." "less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, ..." which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on August 21, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76", which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on August 21, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land

Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,..." "less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, ..." which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on September 11, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76", which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on September 11, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,..." "less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, ..." which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on October 3, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76", which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on October 3, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931,

as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,..." "less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, ..." which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on November 2, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76", which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on November 2, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,..." "less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, ..." which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on December 2, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76", which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on December 2, 1975, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being “insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,…” “less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, …” which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on January 1, 1976, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being “insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76”, which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on January 1, 1976, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being “insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,…” “less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, …” which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on January 31, 1976, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being “insofar as it covers the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas or the East 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, assuming the common boundary line between Sections 76 and 77 of said Block is the North line of Section 76”, which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities,

upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on January 31, 1976, in Mineral File M-64848;

That on August 4, 1970, pursuant to Chapter 255, Acts of 53rd Legislature, Regular Session 1953 provides for extensions of valid and subsisting leases pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947, and other applicable laws, Bob Armstrong, Commissioner of the Texas General Land Office, executed an extension for State Oil & Gas Lease M-64848, being "insofar as it covers all of the Northeast part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas,..." "less and except the Northeast 175 acres of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas; and the Southwest part of Section 76, Block 33, H&TC Ry. Co. Survey, Loving County, Texas, ..." which provided for a 30 day extension from August 4, 1975, and so long thereafter as oil or gas may be produced in paying quantities, upon the application of Forest Oil Corporation, and the payment of \$3,000.00, and a copy of the extension was filed in the Texas General Land Office on March 1, 1976, 1975, in Mineral File M-64848;

- ✓ That on August 4, 1970, pursuant to Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947 and subject to all rules and regulations promulgated by the Commissioner of the General Land Office, pursuant to Article 5366 V.C.S. and other applicable statutes and amendments thereto, governing drilling and producing operations, and other applicable laws, Jerry Sadler, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-64848, covering "NE & SW pts. Of Section 76, Block 33, H & TC Ry. Co. Survey, Loving County, containing 506 acres", as shown by the official map filed in the Texas General Land Office, to Forest Oil Corporation, for a cash bonus of \$43,035.30, with a primary term of five (5) years, an annual delay rental of \$5.00 per acre, and a royalty to the State of one-sixth (1/6th) of the production of oil and gas from the tract, and, upon the payment of the cash bonus due, and the 1.0% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on August 4, 1970, in Mineral File M-64848;

That on July 10, 1975, Forest Oil Corporation, Gulf Oil Corporation, Bravo Oil Company, Getty Oil Company, Tenneco Oil Company and Bob Armstrong, Commissioner of the Texas General Land Office, executed a Pooling Agreement concerning gas (Catfish Unit), which Pooling Agreement included Mineral Files M-64847, 160 acres, M-64848, 175 acres, and was approved by the School Land Board on July 15, 1975, and a copy of said Pooling Agreement was filed in the Texas General Land Office on July 30, 1975, in Mineral File M-64847;

- ✓ That on July 11, 1975, Bass Enterprises Production Co., M. M. Slagle, Jr., Forest Oil Corporation and Bob Armstrong, Commissioner of the Texas General Land Office, executed a Pooling Agreement concerning gas (WLR Unit), which Pooling Agreement included Mineral Files M-64848, 331 acres, M-66109, 25 acres, M-66110, 25 acres, M-71912, 279.98 acres, and was approved by the School Land Board on July 15, 1975, and a copy of said Pooling Agreement was filed in the Texas General Land Office on July 18, 1975, in Mineral File M-64848;

That the latest royalty payments for lease M-64848 were received in the Texas General Land Office on February 15, 2001, for oil produced during February, 2001, and on April 15, 2005, for gas produced during February, 2005;

That on October 5, 1982, pursuant to Chapter 32 and Subchapters A-E, G, and H of Chapter 52 of the Natural Resources Code, and subject to all rules and regulations promulgated by the Commissioner of the Texas General Land Office and/or the School Land Board, pursuant thereto, and all other applicable statutes and amendments to said Natural Resources Code; Bob Armstrong, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-88352, covering "SW/pt. And SW/146 Ac. Of NE/pt. Of H&TC RY. CO. Survey No. 76, Block 33, Loving and Ward Counties, Texas, containing 331 acres", as shown by the official map filed in the Texas General Land Office, to Beaconfield Corporation, for a cash bonus of \$53,291.00, with a primary term of three (3) years, an annual delay rental of \$5.00 per acre, and a royalty to the State of one-fourth (1/4th) of the production of oil and gas from the tract, variable royalty reduction provision, and, upon the payment of the cash bonus due, and the 1.5% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on January 7, 1983, in Mineral File M-88352;

That on September 20, 1983, Beaconfield Corporation, partially assigned to Brazos Petroleum Company, various interests in lease Mineral File M-88352 and another, and reference to said partial assignment is herein made for all purposes to the instrument which was filed of record in Book 70, Page 224 Oil & Gas Lease Records, Loving County, a certified copy of said assignment was filed in the Texas General Land Office on December 3, 1983, in Mineral File M-88351;

That on November 15, 1983, BTA Oil Producers and Garry Mauro, Commissioner of the Texas General Land Office, executed a Pooling Agreement concerning gas, which Pooling Agreement included Mineral File M-88352, 146 acres and 497 private acres, and was approved by the School Land Board on October 12, 1983, and a copy of said Pooling Agreement was filed in the Texas General Land Office on November 15, 1983, in Mineral File M-88352;

That on September 19, 1984, Lincoln Rock Corporation and Garry Mauro, Commissioner of the Texas General Land Office, executed a Pooling Agreement concerning gas, which Pooling Agreement included Mineral File M-88352, 185 acres, Mineral File M-90005, 23 acres, and was approved by the School Land Board on August 13, 1984, and a copy of said Pooling Agreement was filed in the Texas General Land Office on September 19, 1984, in Mineral File M-88352;

That on December 12, 1984, Railroad Commission Form G-1, Gas Well Back Pressure Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-88352, indicating that well No. 1, Wolf (Wolfcamp), was completed as a new well on February 27, 1984;

That on January 10, 1985, effective date of July 11, 1984, Beaconfield Corporation partially assigned to BTA Oil Producers, various interests in lease M-88352, and reference to said partial assignment is herein made for all purposes to the instrument which was filed of record in Book 76, Page 516, Oil & Gas Lease Records, Loving County, a certified copy of said assignment was filed in the Texas General Land Office on April 4, 1985, in Mineral File M-88352;

That on March 18, 1985, Larry R. Wollschlager assigned to Thomas M. Lawson, Franz Weis, Curtis L. Espy, John W. Rahlfs, Joseph F. Ruda and Enervest Company, all interests in lease M-88352, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in

Book 77, Page 317, Oil and Gas Lease Records, Loving County, a certified copy of said assignment was filed in the Texas General Land Office on June 15, 1985, in Mineral File M-88352;

That on September 21, 1983, Beaconfield Corporation assigned to Brazos Petroleum Company, overriding royalty interests in lease M-88352, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 78, Page 267, Oil & Gas Lease Records, Loving County, a certified copy of which was filed in the Texas General Land Office on August 13, 1985, in Mineral File M-88352;

That the index for Mineral File M-88352, lists item #35 as an Assignment, however, after a diligent search, said item cannot be located;

That the index for Mineral File M-88352, lists item #36 as an Assignment, however, after a diligent search, said item cannot be located;

That on October 1, 1991, BTA Oil Producers assigned to Allby Associates, et al, various interests in lease M-88352 and others, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 596, Pages 1-8, Oil and Gas Records, Ward County, a copy of which was filed in the Texas General Land Office on February 24, 1992, in Mineral File M-88352;

That the latest royalty payments for lease M-88352 were received in the Texas General Land Office on August 19, 1986, for oil produced during July, 1986, and on April 15, 2005, for gas produced during February, 2005;

That on April 4, 1989, pursuant to the Texas Natural Resources Code Chapters 32, 33, 51, and Chapter 52, Subchapters A-D and H, and subject to all rules and regulations promulgated by the Commissioner of the Texas General Land Office and/or the School Land Board, pursuant thereto, and all other applicable statutes and amendments to said Natural Resources Code; Garry Mauro, Commissioner of the Texas General Land Office, executed and delivered State Oil & Gas Lease M-93402, covering "SW/pt of Section 76, Blk. 33, H & TC RR Co. Survey, Loving and Ward Counties, Texas, containing approximately 185 acres", as shown by the official map filed in the Texas General Land Office, to Larry R. Wollschlager, for a cash bonus of \$15,355.00, with a primary term of three (3) years, an annual delay rental of \$5.00 per acre, and a royalty to the State of one-fourth (1/4th) of the production of oil and gas from the tract, and, upon the payment of the cash bonus due, and the 1.0% statutory sale fee when required, a copy of the lease was filed in the Texas General Land Office on April 4, 1989, in Mineral File M-93402;

That the file wrapper for Mineral File M-93402 is endorsed: "Terminated".

That on November 25, 2003, effective August 1, 2003, pursuant to Section 51.291, et seq., TEX. NAT. RES. CODE ANN. (Vernon), 31 TEX. ADMIN. CODE §13.11, et seq., and all other applicable statutes and rules, Jerry E. Patterson, Commissioner of the Texas General Land Office, issued Miscellaneous Easement ME-830140 to GulfTerra GC, L.P. for a right-of-way to construct, maintain, operate, inspect,

repair, change the size of, relocate, and replace one (1) twelve-inch (12") pipeline for the purpose of transporting gas, and a certified copy of said easement was filed in the Texas General Land Office on December 15, 2003, in Miscellaneous Easement File ME-830140;

That on May 5, 2004, effective April 1, 2004, pursuant to Section 51.291, et seq., TEX. NAT. RES. CODE ANN. (Vernon), 31 TEX. ADMIN. CODE §13.11, et seq., and all other applicable statutes and rules, Jerry E. Patterson, Commissioner of the Texas General Land Office, issued Miscellaneous Easement ME-840051 to Sid Richardson Pipeline, Ltd., for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, relocate, and replace One (1) 8-inch O.D. pipeline for the purpose of transporting natural gas, and a copy of said easement was filed in the Texas General Land Office on July 23, 2004, in Miscellaneous Easement File ME-840051;

That on May 5, 2004, effective June 1, 2004, pursuant to Section 51.291, et seq., TEX. NAT. RES. CODE ANN. (Vernon), 31 TEX. ADMIN. CODE §13.11, et seq., and all other applicable statutes and rules, Jerry E. Patterson, Commissioner of the Texas General Land Office, issued Miscellaneous Easement ME-840108 to Sid Richardson Pipeline, Ltd., for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, relocate, and replace One (1) 8-inch pipeline for the purpose of transporting natural gas, and a copy of said easement was filed in the Texas General Land Office on May 24, 2004, in Miscellaneous Easement File ME-840108;

That on September 7, 1999, effective September 1, 1998, pursuant to Section 51.291, et seq., TEX. NAT. RES. CODE ANN. (Vernon Supp. 1999), 31 TEX. ADMIN. CODE §13.11, et seq., and all other applicable statutes and rules, David Dewhurst, Commissioner of the Texas General Land Office, issued Renewal of Miscellaneous Easement ME-880113 to El Paso Field Services Company for a right-of-way to maintain, operate, inspect, and repair one (1) 8.625-inch (O.D.) pipeline for the purpose of transporting natural gas, and a certified copy of said easement was filed in the Texas General Land Office on September 9, 1999, in Miscellaneous Easement File ME-880113;

That on December 19, 2003, effective September 1, 2003, pursuant to the authority granted in Section 51.121, et seq., TEX. NAT. RES. CODE ANN. (Vernon), 31 TEX. ADMIN. CODE Chapter 13, Land Resources, et seq., and all other applicable statutes and rules, as the same may be amended from time to time, and is subject to all applicable regulations promulgated from time to time, Jerry E. Patterson, Commissioner of the Texas General Land Office, executed and delivered Surface Lease SL-880054, covering "part of Section 76, Block 33, H. & T. C. RR. Co. Survey, Loving County, Texas, GLO File #142527. The Leased Premises is 0.5165 acres, more or less", to GulfTerra G C, L P., for a term of five (5) years, with an annual rental of \$2,500.00, and a certified copy of said lease was filed in the Texas General Land Office on December 22, 2003, in Surface Lease File SL-880054;

That on December 19, 2003, effective September 1, 2003, pursuant to the authority granted in Section 51.121, et seq., TEX NAT. RES. CODE ANN. (Vernon), 31 TEX. ADMIN. CODE Chapter 13, Land Resources, et seq., and all other applicable statutes and rules, as the same may be amended from time to time, and is subject to all applicable regulations promulgated from time to time, Jerry E. Patterson, Commissioner of the Texas General Land Office, executed and delivered Surface Lease SL-880055, covering "part of Section 76, Block 33, H. & T. C. RR. Survey, Loving County, Texas, GLO File #142527. The Leased Premises is 0.057 acres, more or less", to GulfTerra G C, L. P., for a term of five (5) years, with an annual rental of \$1,000.00, and a certified copy of said lease was filed in the Texas General Land Office on December 22, 2003, in Surface Lease File SL-880055;

That on September 16, 2002, effective September 1, 2002, pursuant to the authority granted in Section 51.121, et seq., TEX NAT. RES. CODE ANN. (Vernon 2001), 31 TEX. ADMIN. CODE Chapter 13 (Land Resources), and all other applicable statutes and rules, as the same may be amended from time to time, and is subject to all applicable regulations promulgated from time to time, David Dewhurst, Commissioner of the Texas General Land Office, executed and delivered Surface Lease SL-910007, covering "NE & SW part of Section 76, Block 33, H. & T. C. Ry. Co. Survey, GLO File # 142527, as well as other tracts in Loving and Ward Counties, total acreage of 3,585.50", to Jones Ranch Partners, for a term of five (5) years, with an annual rental of \$9,000.00, and a certified copy of said lease was filed in the Texas General Land Office on October 11, 2002, in Surface Lease File SL-910007;

IN TESTIMONY WHEREOF, I hereto set my hand and seal of said office the first date above written.

JERRY E. PATTERSON
COMMISSIONER OF THE GENERAL LAND OFFICE

JEP/CAC

Ms. Terri L. Farmer
Dorchester Minerals, LP
3738 Oak Lawn Ave., Ste 300
Dallas, Texas 75219-4379

Fee: \$100.00
Register No.005718
Dicta No. 2005-02
Files: SCH-142527, SCH-130240, SCH-128997, SCH-089943, BEX S-003294, MF-37581, MF-37606, MF-55715, MF-56818, MF-64847, MF-93402, MF-64848, MF-88351, MF-88352, ME-830140, ME-840051, ME-840108, ME-880113, SL-880054, SL-880055, SL-910007

File No. M-64848
Loviney County

Date Filed: 5-24-05

Jerry E. Patterson, Commissioner
By Cheli Cook

DO NOT DESTROY



Texas General Land Office

UNIT AGREEMENT MEMO

PA13-317

Unit Number 6375

Operator Name **ENERGEN RESOURCES CORPORATION** Effective Date 10/1/2013

Customer ID C000043130 Unitized For Oil

Unit Name Yellow Jacket State Unit 1-70 1H Unit Term 0 Months

County1 Loving

County2

County3

RRC District: 08

Unit Type: Permanent

State Royalty Interest: 0.0833500000

State Part in Unit: 0.5000000000

Unit Depth Well: Unit

Below Depth 7860 TVD Formation: Bone Spring, Wolfcamp

Above Depth 14450 TVD Participation Basis: Surface Acreage

[If Exclusions Apply: See Remarks]

MF Number MF064848 Tract Number 1

Lease Acres 175 / Total Unit Acres 350 =

Tract Participation: 0.5000000 X

Lease Royalty 0.1667 = Manual Tract Participation: [] See Remark

Tract Royalty Participation 0.0833500 Manual Tract Royalty: []

Tract Royalty Reduction No

Tract Royalty Rate 0

Tract On-Line Date:

15-133163

API Number

RRC Number

Remarks:

Prepared By:

REW

Prepared Date:

10/1/13

GLO Base Updated By:

REW

GLOBase Date:

10/1/13

RAM Approval By:

R.D.

RAM Approval Date:

1/8/14

GIS By:

W

GIS Date:

2-26-14

Pooling Committee Report

To: School Land Board
Date of Board Meeting: October 1, 2013
Effective Date: 10/1/2013
Unit Expiration Date: Permanent
Applicant: ENERGEN RESOURCES CORPORATION
Attorney Rep: Mickey R. Olmstead
Operator: ENERGEN RESOURCES CORPORATION
County 1: Loving
County 2:
County 3:
Unit Name: Yellow Jacket State Unit 1-70 1H
Field Name: TWO GEORGES (BONE SPRING)

PA13-317
Unit Number: 6375

<u>Lease Type</u>	<u>MF Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres in Unit</u>	<u>Royalty Participation</u>
SF	MF064848	0.1667	8/4/1975	HBP	506	175	0.0833500

SF = State Fee RAL = Relinquishment Act FR = Free Royalty UR = Unleased River

Private Acres:	175
State Acres:	175
Total Unit Acres:	350

<u>Participation Basis:</u>	
Surface Acreage	
<u>State Acreage:</u>	50.00%
<u>State Unit Royalty:</u>	8.34%

<u>Unit Type:</u>	<u>Unitized for:</u>
Permanent	Oil
<u>Term:</u>	0 Months

<u>Well Location:</u>
Both

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Special Field Rule	320+rule86

REMARKS:

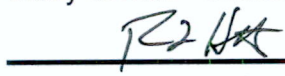
- Energen Resources Corporation is requesting permanent oil pooling of the Bone Spring and Wolfcamp Formations defined as the stratigraphic interval or its correlative equivalent occurring from 7,860 feet to 14,450 feet as shown on the Forest Oil Corporation Vermejo 58-1 well log (API 42-301-31248).
- The applicant plans to spud the unit well by October 1st of this year. The proposed total depth is expected to be approximately 11,200 feet. A 5,100 foot lateral is expected to be drilled.
- With approval of the unit the State's unit royalty participation will be 8.33%.
- The State will participate from the date of first production.

POOLING COMMITTEE RECOMMENDATION:

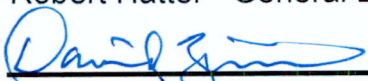
- The Pooling Committee recommends Board approval of a permanent oil unit under the above-stated provisions.



Mary Smith - Office of the Attorney General



Robert Hatter - General Land Office

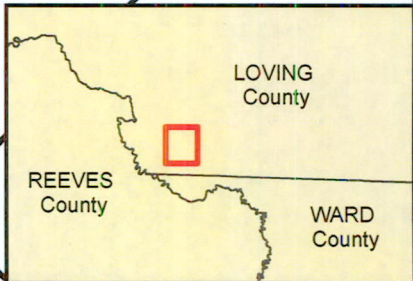


David Zimmerman - Office of the Governor

9/19/13
Date:

9/19/13
Date:

9/19/13
Date:



PA13-317 Unit #6375
Energen Resources Corporation
Yellow Jacket State Unit 1-70
Two Georges (Bone Spring) Field
MF064848
Loving County, Texas

1,000 500 0 1,000 Feet

The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Generated by:
Zeke Guillen
IS/EAS/GIS
June 2013

POOLING AGREEMENT
ENERGEN RESOURCES CORPORATION
YELLOW JACKET STATE UNIT 1-70
GLO UNIT NO. 6375
LOVING COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and Energen Resources Corporation, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES:

1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION:

2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED:

3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil including all hydrocarbons that may be produced from an oil well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the top of the Bone Spring Formation to 3,500 feet below the top of the Wolfcamp Formation being defined as the stratigraphic interval or its correlative equivalent occurring from 7,860 feet to 14,450 feet as seen on the Schlumberger Density/Neutron log of the Vermejo 58-1 well, API# 42-301-31248 ("unitized interval").

POOLING AND EFFECT:

4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

- (a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.
- (b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.
- (c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.
- (d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.
- (e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it

being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

- (f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.
- (g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 350 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.
- (h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.
- (i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.
- (j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION:

5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND:

6.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization agreement be made in kind, without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

FULL MARKET VALUE:

7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

- (a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

- (b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of October 1, 2013.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease, covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

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

Date Executed 10/15/13

STATE OF TEXAS

Legal
Content
Geology
Executive

mm
REW
see by la

By:

Jerry E. Patterson
Jerry E. Patterson, Commissioner
of the General Land Office

Date Executed _____

ENERGEN RESOURCES CORPORATION

By: [Signature]
STEPHEN L. CHANDLER
Its: DISTRICT LAND MANAGER
KW

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 1st day of October, 2013, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

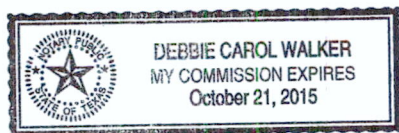
IN TESTIMONY WHEREOF, witness my hand this the 16th day of October, 2013.

[Signature]
Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF Midland

This instrument was acknowledged before me on October 4th, 2013, by Stephen L. Chandler as District Land Mgr. of Energen Resources Corporation, an Alabama corporation, on behalf of said corporation.



[Signature]
Debbie Carol Walker
Notary Public in and for the
State of Texas

Exhibit "A"

Attached to Pooling Agreement, Energen Resources Corporation, Yellow Jacket State Unit 1-70, GLO Unit No. 6375, Loving County, Texas, dated effective 10/1/2013, between the Commissioner of the General Land Office, on behalf of the State of Texas, as Lessor, and Energen Resources Corporation, as Lessee.

Lease No. 64848 - General Land Office Lease form

Lessor: State of Texas, by Jerry Sadler, Commissioner of the General Land Office

Lessee: Forest Oil Corporation

Date: August 4, 1970

Recorded: Volume 32, Page 304, Oil and Gas Lease Records of Loving County

Lands: Northeast and Southwest parts of Section 76, containing 506 acres as shown on the official map of Loving County now on file in the General Land Office

Fee Lease

Lessor: N.S. Marrow and wife Dorothy H Marrow

Lessee: A.W. Gregg, Jr., Trustee

Date: February 25, 1997

Recorded: Volume 99, Page 450, Oil and Gas Lease Records of Loving County

Lands: East 117 acres of Section 70, assuming the common boundary line between Sections 69 and 70 of the same block and survey is the North line of Section 70.

Fee Lease

Lessor: A.W. Gregg and wife, Robbie Gregg, Mary E. Payne, as separate property, joined pro forma by her husband Harvey O. Payne; N.S. Marrow and wife, Dorothy H. Marrow

Lessee: Forest Oil Corporation

Date: March 15, 1972

Recorded: Volume 34, Page 350, Oil and Gas Lease Records of Loving County

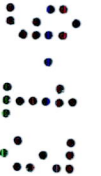
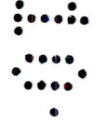
Lands: All of the Southwest 150 acres of Section 70.

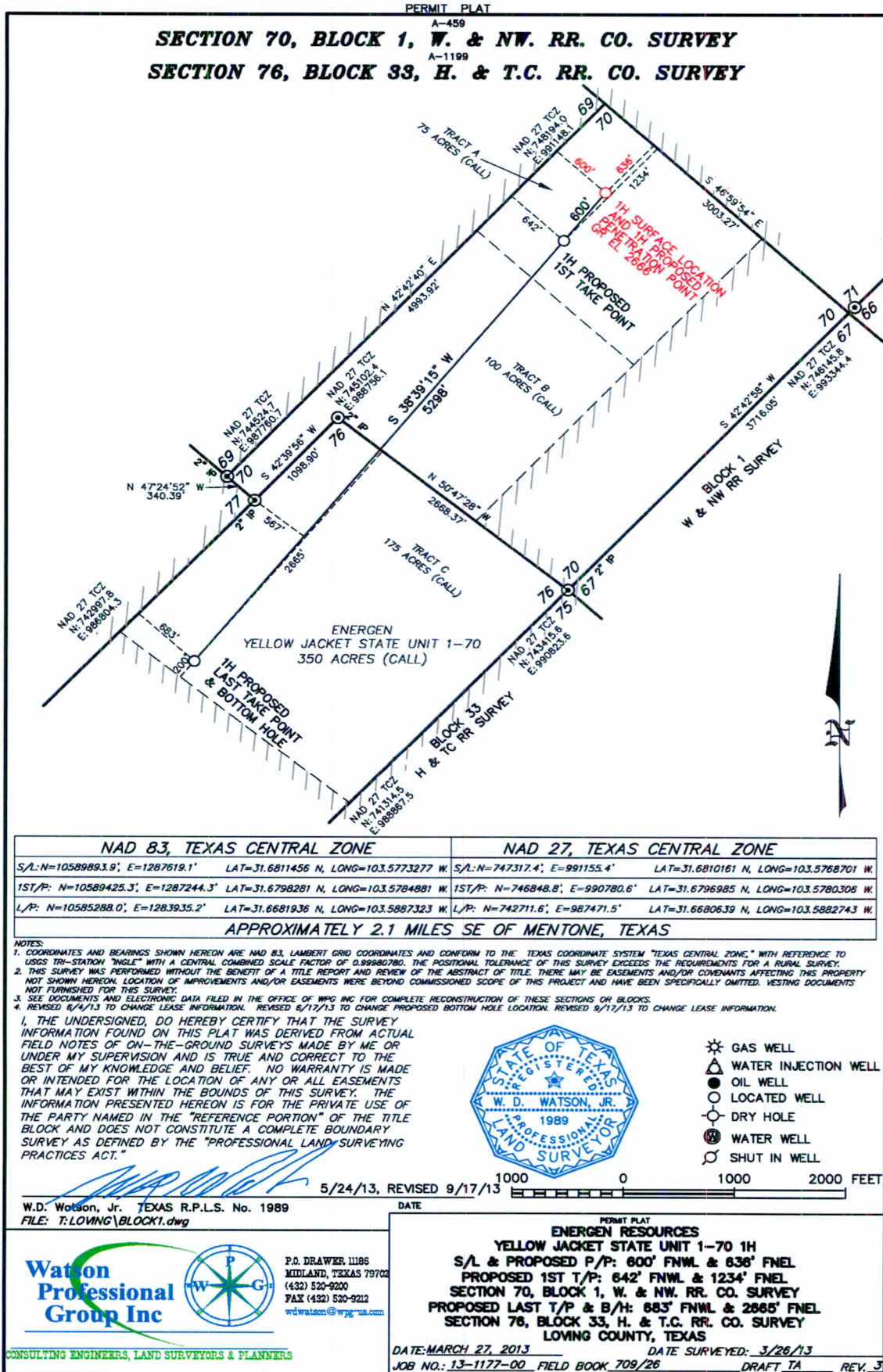
Exhibit "B"

Attached to Pooling Agreement, Energen Resources Corporation, Yellow Jacket State Unit 1-70, GLO Unit No. 6375, Loving County, Texas, dated effective 10/1/2013, between the Commissioner of the General Land Office, on behalf of the State of Texas, as Lessor, and Energen Resources Corporation, as Lessee.

Description of Lands

- Tract A 75 acres out of Section 70, Block 1, W&NW RR Co Survey, Loving County, TX
- Tract B 100 acres out of Section 70, Block 1, W&NW RR Co Survey, Loving County, TX
- Tract C 175 acres out of the Northeast part of Section 76, Block 33, H&TC RR Co Survey, Loving County, TX





719 011

(93)

File No.

M-64848

Pooling Agent Packet # 6375
Yellow Jacket State Unit 170

Date Filed:

11/18/13

Jerry E. Patterson, Commissioner

By



POOLING AGREEMENT
ENERGEN RESOURCES CORPORATION
YELLOW JACKET STATE UNIT 1-70
GLO UNIT NO. 6375
LOVING COUNTY, TEXAS

M-64849

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and Energen Resources Corporation, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES:

1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION:

2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED:

3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil including all hydrocarbons that may be produced from an oil well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the top of the Bone Spring Formation to 3,500 feet below the top of the Wolfcamp Formation being defined as the stratigraphic interval or its correlative equivalent occurring from 7,860 feet to 14,450 feet as seen on the Schlumberger Density/Neutron log of the Vermejo 58-1 well, API# 42-301-31248 ("unitized interval").

POOLING AND EFFECT:

4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

- (a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.
- (b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.
- (c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.
- (d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.
- (e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it

being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

- (f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.
- (g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 350 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.
- (h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.
- (i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.
- (j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION:

5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND:

6.

Notwithstanding anything contained herein to the contrary, the State may, at its option, upon not less than sixty (60) days notice to Lessee, require that payment of all or any royalties accruing to the State under this pooling or unitization agreement be made in kind, without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

FULL MARKET VALUE:

7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

- (a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

- (b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE:

8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of October 1, 2013.

TERM:

9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease, covered by this Agreement.

STATE LAND:

10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION:

11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Loving County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER:

12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS:

13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

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

Date Executed 10/15/13

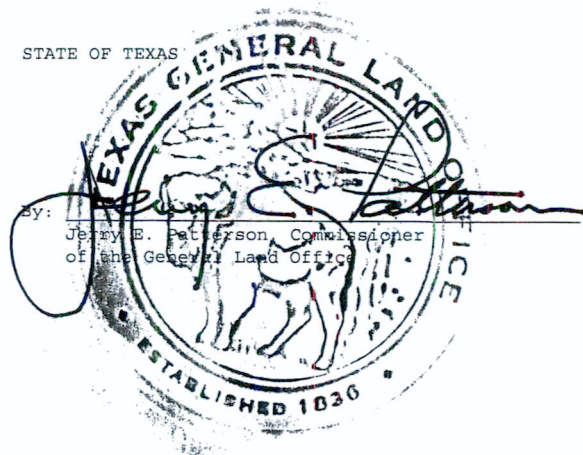
STATE OF TEXAS

Legal
Content
Geology
Executive

[Handwritten signature]
REW
[Handwritten signature]

By:

[Handwritten signature]
Jerry E. Patterson, Commissioner
of the General Land Office



Date Executed _____

ENERGEN RESOURCES CORPORATION

By: _____

STEPHEN L. CHANDLER
Its DISTRICT LAND MANAGER

ASW

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 1st day of October, 2013, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

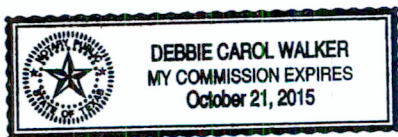
IN TESTIMONY WHEREOF, witness my hand this the 16th day of October, 2013.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF Midland

This instrument was acknowledged before me on October 4th, 2013, by Stephen L. Chandler
as District Land Mgr. of Energen Resources Corporation, an Alabama
corporation, on behalf of said corporation.



Debbie Carol Walker
Notary Public in and for the
State of Texas

Exhibit "A"

Attached to Pooling Agreement, Energen Resources Corporation, Yellow Jacket State Unit 1-70, GLO Unit No. 6375, Loving County, Texas, dated effective 10/1/2013, between the Commissioner of the General Land Office, on behalf of the State of Texas, as Lessor, and Energen Resources Corporation, as Lessee.

Lease No. 64848 - General Land Office Lease form

Lessor: State of Texas, by Jerry Sadler, Commissioner of the General Land Office

Lessee: Forest Oil Corporation

Date: August 4, 1970

Recorded: Volume 32, Page 304, Oil and Gas Lease Records of Loving County

Lands: Northeast and Southwest parts of Section 76, containing 506 acres as shown on the official map of Loving County now on file in the General Land Office

Fee Lease

Lessor: N.S. Marrow and wife Dorothy H Marrow

Lessee: A.W. Gregg, Jr., Trustee

Date: February 25, 1997

Recorded: Volume 99, Page 450, Oil and Gas Lease Records of Loving County

Lands: East 117 acres of Section 70, assuming the common boundary line between Sections 69 and 70 of the same block and survey is the North line of Section 70.

Fee Lease

Lessor: A.W. Gregg and wife, Robbie Gregg, Mary E. Payne, as separate property, joined pro forma by her husband Harvey O. Payne; N.S. Marrow and wife, Dorothy H. Marrow

Lessee: Forest Oil Corporation

Date: March 15, 1972

Recorded: Volume 34, Page 350, Oil and Gas Lease Records of Loving County

Lands: All of the Southwest 150 acres of Section 70.

Exhibit "B"

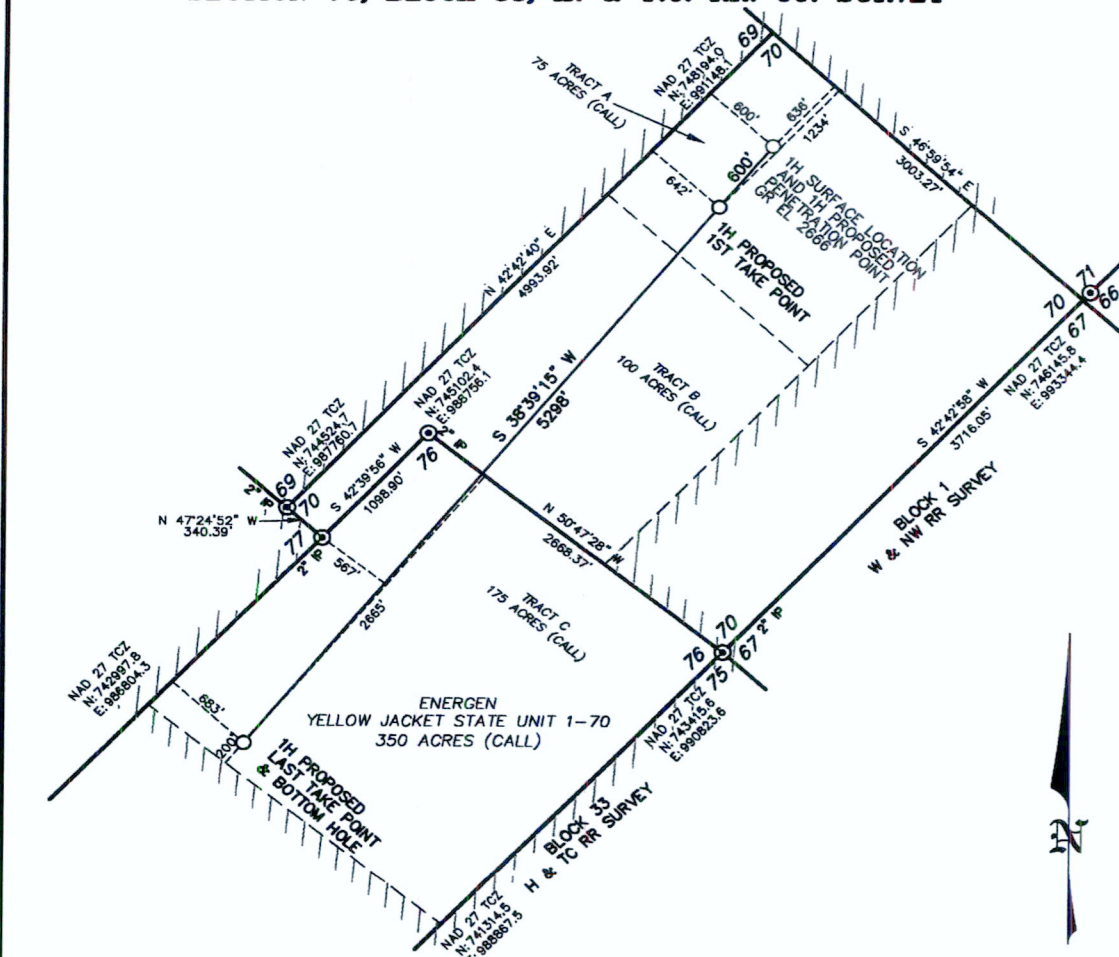
Attached to Pooling Agreement, Energen Resources Corporation, Yellow Jacket State Unit 1-70, GLO Unit No. 6375, Loving County, Texas, dated effective 10/1/2013, between the Commissioner of the General Land Office, on behalf of the State of Texas, as Lessor, and Energen Resources Corporation, as Lessee.

Description of Lands

- Tract A 75 acres out of Section 70, Block 1, W&NW RR Co Survey, Loving County, TX
- Tract B 100 acres out of Section 70, Block 1, W&NW RR Co Survey, Loving County, TX
- Tract C 175 acres out of the Northeast part of Section 76, Block 33, H&TC RR Co Survey, Loving County, TX

PERMIT PLAT

SECTION 70, BLOCK 1, W. & NW. RR. CO. SURVEY
SECTION 76, BLOCK 33, H. & T.C. RR. CO. SURVEY



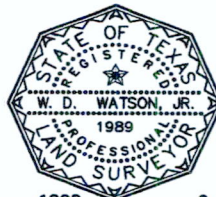
NAD 83, TEXAS CENTRAL ZONE		NAD 27, TEXAS CENTRAL ZONE	
S/L: N=10589893.9', E=1287619.1'	LAT=31.6811456 N, LONG=103.5773277 W	S/L: N=747317.4', E=991155.4'	LAT=31.6810161 N, LONG=103.5768701 W
1ST/P: N=10589425.3', E=1287244.3'	LAT=31.6798281 N, LONG=103.5784881 W	1ST/P: N=746848.8', E=990780.6'	LAT=31.6796985 N, LONG=103.5780306 W
L/P: N=10585288.0', E=1283935.2'	LAT=31.6681936 N, LONG=103.5887323 W	L/P: N=742711.6', E=987471.5'	LAT=31.6680639 N, LONG=103.5882743 W

APPROXIMATELY 2.1 MILES SE OF MENTONE, TEXAS

NOTES:

- COORDINATES AND BEARINGS SHOWN HEREON ARE NAD 83, LAMBERT GRID COORDINATES AND CONFORM TO THE TEXAS COORDINATE SYSTEM "TEXAS CENTRAL ZONE" WITH REFERENCE TO USGS TRI-STATION "ANGLE" WITH A CENTRAL COMBINED SCALE FACTOR OF 0.99980780. THE POSITIONAL TOLERANCE OF THIS SURVEY EXCEEDS THE REQUIREMENTS FOR A RURAL SURVEY.
- THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND REVIEW OF THE ABSTRACT OF TITLE. THERE MAY BE EASEMENTS AND/OR COVENANTS AFFECTING THIS PROPERTY NOT SHOWN HEREON. LOCATION OF IMPROVEMENTS AND/OR EASEMENTS WERE BEYOND COMMISSIONED SCOPE OF THIS PROJECT AND HAVE BEEN SPECIFICALLY OMITTED. VESTING DOCUMENTS NOT FURNISHED FOR THIS SURVEY.
- SEE DOCUMENTS AND ELECTRONIC DATA FILED IN THE OFFICE OF WPG INC FOR COMPLETE RECONSTRUCTION OF THESE SECTIONS OR BLOCKS.
- REVISED 6/4/13 TO CHANGE LEASE INFORMATION. REVISED 6/17/13 TO CHANGE PROPOSED BOTTOM HOLE LOCATION. REVISED 9/17/13 TO CHANGE LEASE INFORMATION.

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS PLAT WAS DERIVED FROM ACTUAL FIELD NOTES OF ON-THE-GROUND SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS FOR THE PRIVATE USE OF THE PARTY NAMED IN THE "REFERENCE PORTION" OF THE TITLE BLOCK AND DOES NOT CONSTITUTE A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE "PROFESSIONAL LAND SURVEYING PRACTICES ACT."



- ☼ GAS WELL
- ▲ WATER INJECTION WELL
- OIL WELL
- LOCATED WELL
- DRY HOLE
- WATER WELL
- SHUT IN WELL

W.D. Watson, Jr. TEXAS R.P.L.S. No. 1989
 FILE: T:\LOVING\BLOCK1.dwg

5/24/13, REVISED 9/17/13

DATE

Watson Professional Group Inc
 P.O. DRAWER 1188
 MIDLAND, TEXAS 79702
 (432) 520-9200
 FAX (432) 520-9212
 wdwatson@wpg-usa.com



CONSULTING ENGINEERS, LAND SURVEYORS & PLANNERS

PERMIT PLAT
ENERGEN RESOURCES
YELLOW JACKET STATE UNIT 1-70 1H
 S/L & PROPOSED P/P: 600' FNNL & 636' FNNL
 PROPOSED 1ST T/P: 642' FNNL & 1234' FNNL
 SECTION 70, BLOCK 1, W. & NW. RR. CO. SURVEY
 PROPOSED LAST T/P & B/H: 683' FNNL & 2865' FNNL
 SECTION 76, BLOCK 33, H. & T.C. RR. CO. SURVEY
 LOVING COUNTY, TEXAS

DATE: MARCH 27, 2013

DATE SURVEYED: 3/26/13

JOB NO.: 13-1177-00 FIELD BOOK 709/26

DRAFT TA REV. 3

I, Mozelle Carr, Clerk of the County Court, in and for said County, do hereby certify that the within instrument in writing, dated 10/15/2013 with its certification of authentication, was filed in my office 11/07/2013 at 08:24 AM and recorded 11/07/2013 in the OFFICIAL PUBLIC RECORDS of Loving County, Texas with Instrument Number 2013-2095. Witness my Hand and Seal of Said Court, at office in Mentone, Texas, on date and year last above written.



MOZELLE CARR, County Clerk
Loving County Texas

DUSTIN BURROWS, Deputy County Clerk
Loving County Texas

DOMINO BURCHETT, Deputy County Clerk
Loving County Texas

94

File No. M-64846
Recorded Yellow Jacket Unit

Date Filed: 11/16/13

Jerry E. Patterson, Commissioner

By [Signature]

77-79-73

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

UPA135500

Unit Number 6660
Operator Name Energen Resources Corp
Customer ID
Unit Name Yellow Jacket State Unit 1-70
County 1 Loving RRC District 1 08
County 2 RRC District 2
County 3 RRC District 3
County 4 RRC District 4
Unit type Permanent
State Net Revenue Interest 0.06598793
State Part in Unit 0.39592760
Unit Depth Specified Depths Well
From Depth 7860 TVD Formation Top of Bone Springs to Base of Wolfcamp
To Depth 14450 TVD Participation Basis Surface Acreage
If Exclusions Apply: See Remarks

Effective Date 01/07/2014
Unitized For Oil And Gas
Unit Term
Old Unit Number Inactive Status Date

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	Lease Royalty	Tract Royalty Participation	Royalty Rate Reduction Clause
MF064848	1	175.00	442.00	0.395928	0.16667000	0.065989	No

API Number
42-301-31986 ✓

Remarks:

Unit # 6375 in being amended to include 92 acres of additional private land in order to drill a second horizontal unit well.

Prepared By: REW
GLO Base Updated By: REW
RAM Approval By: RD
GIS By: _____
Well Inventory By: mb

Prepared Date: 1/7/14
GLO Base Date: 1/7/14
RAM Approval Date: 1/10/14
GIS Date: _____
WI Date: 1/7/14

Pooling Committee Report

To: School Land Board

UPA135500

Date of Board Meeting: 01/07/2014

Unit Number: 6660

Effective Date: 01/07/2014

Unit Expiration Date:

Applicant: Energen Resources Corporation

Attorney Rep: Mickey R. Olmstead

Operator: Energen Resources Corp

Unit Name: Yellow Jacket State Unit 1-70

Field Name: Two Georges (Bone Spring)

County:

Loving

<u>Lease Type</u>	<u>Lease Number</u>	<u>Lease Royalty</u>	<u>Expiration Date</u>	<u>Lease Term</u>	<u>Lease Acres</u>	<u>Lease Acres In Unit</u>	<u>Royalty Participation</u>
	MF064848	0.16667000	08/04/1975	5 years	175.000	175.000	0.06598925

Private Acres:	267.000000
State Acres:	175.000000
Total Unit Acres:	442.000000

<u>Participation Basis:</u>	Surface Acreage
Surface Acreage	
<u>State Acreage:</u>	39.59%
<u>State Net Revenue Interest:</u>	6.60%

<u>Unit Type:</u>	<u>Unitized for:</u>
Permanent	Oil & Gas
<u>Term:</u>	

<u>RRC Rules:</u>	<u>Spacing Acres:</u>
Yes	320 + rule 86

Working File Number: **UPA135500**

REMARKS:

- Energen Resources Corporation is requesting an amendment of the Yellow Jacket State Unit 1 -70 by increasing the size of the unit from 350 acres to 442 acres by adding an additional 92 acre private lease.
- On October 1, 2013, the School Land Board approved permanent oil and gas pooling from 7,860 feet to 14,450 feet TVD. The applicant spud the first unit well on 11/10/2013 to test the Bone Spring and Wolfcamp Formations. The well is currently being drilled. A second unit well is expected to be spud on 1/15/2014.
- With approval of the amendment the State's unit royalty participation will decrease from 8.33% to 6.60%. The State will benefit by participating in an additional horizontal unit well.
- The State will participate on a unitized basis from the date of first production.

POOLING COMMITTEE RECOMMENDATION:

The Pooling Committee recommends Board approval of the amendment to the Yellow Jacket State Unit 1-70 under the above-stated provisions.



Mary Smith - Office of the Attorney General

12/19/2013

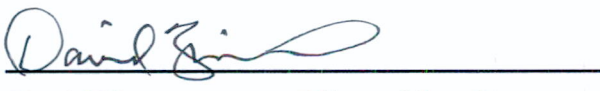
Date



Robert Hatter - General Land Office

12/19/13

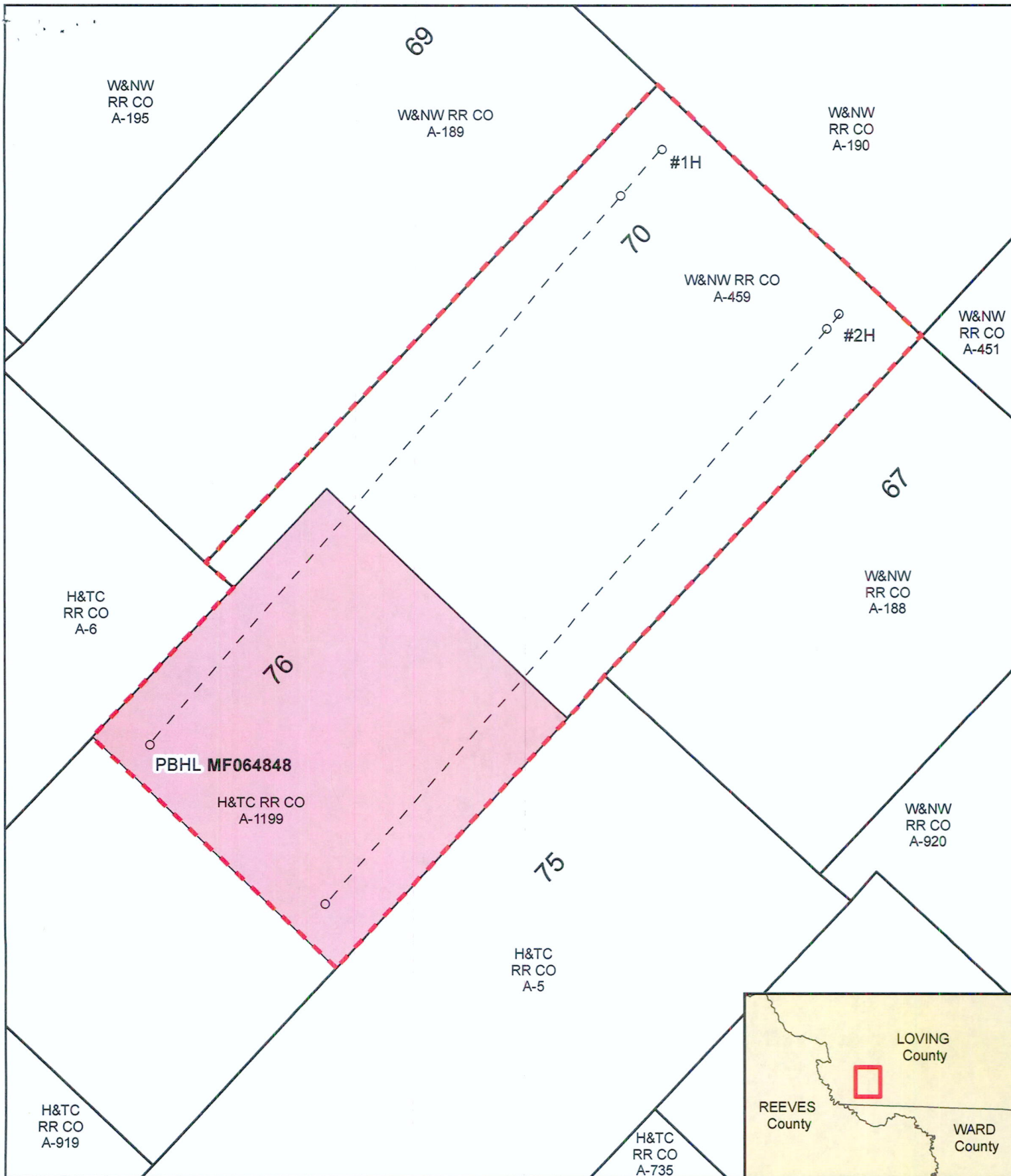
Date



David Zimmerman - Office of the Governor

12/19/13

Date



UPA135500 Unit #6660
Energen Resources Corporation
Yellow Jacket State Unit 1-70
Two Georges (Bone Spring) Field
MF064848
Loving County, Texas

1,000 500 0 1,000 Feet



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Generated by:
Zeke Guillen
IS/BAS/GIS
January 2014

4. How many times do you eat fast food per week?

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 7th day of January, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 3rd day of February, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF Midland

This instrument was acknowledged before me on January 20th, 2014, by Joe D. Niederhoffer,
as V.P. Permian Basin Operations of Energen Resources Corporation an Alabama corporation on behalf of said corporation.



Debbie Walker
Notary Public in and for the
State of Texas

47.20.1

Exhibit "A"

Attached to Amendment of Pooling Agreement, Energen Resources Corporation, Yellow Jacket State Unit 1-70, GLO Unit No. 6660, Loving County, Texas, dated effective 1/7/2014, between the Commissioner of the General Land Office, on behalf of the State of Texas, as Lessor, and Energen Resources Corporation, as Lessee.

Lease No. 64848 - General Land Office Lease form

Lessor: State of Texas, by Jerry Sadler, Commissioner of the General Land Office

Lessee: Forest Oil Corporation

Date: August 4, 1970

Recorded: Volume 32, Page 304, Oil and Gas Lease Records of Loving County

Lands: Northeast and Southwest parts of Section 76, containing 506 acres as shown on the official map of Loving County now on file in the General Land Office

Fee Lease

Lessor: N.S. Marrow and wife Dorothy H Marrow

Lessee: A.W. Gregg, Jr., Trustee

Date: February 25, 1997

Recorded: Volume 99, Page 450, Oil and Gas Lease Records of Loving County

Lands: East 117 acres of Section 70, assuming the common boundary line between Sections 69 and 70 of the same block and survey is the North line of Section 70.

Fee Lease

Lessor: A.W. Gregg and wife, Robbie Gregg, Mary E. Payne, as separate property, joined pro forma by her husband Harvey O. Payne; N.S. Marrow and wife, Dorothy H. Marrow

Lessee: Forest Oil Corporation

Date: March 15, 1972

Recorded: Volume 34, Page 350, Oil and Gas Lease Records of Loving County

Lands: All of the Southwest 150 acres of Section 70.

47.25.1

Exhibit "B"

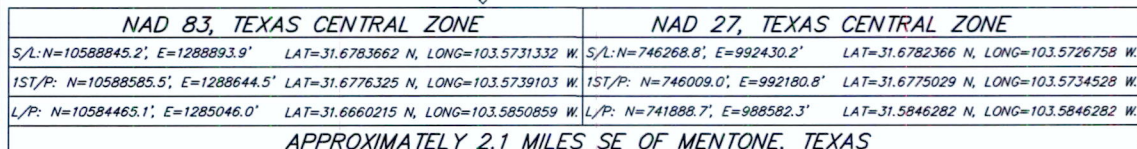
Attached to Amendment of Pooling Agreement, Energen Resources Corporation, Yellow Jacket State Unit 1-70, GLO Unit No. 6660, Loving County, Texas, dated effective 1/7/2014, between the Commissioner of the General Land Office, on behalf of the State of Texas, as Lessor, and Energen Resources Corporation, as Lessee.

Description of Lands

- Tract A East 117 acres of Section 70, Block 1, W & NW RR Co Survey, Loving County, TX, assuming the common boundary line between Sections 69 and 70 of the same block and survey is the North line of Section 70.
- Tract B All of the Southwest 150 acres of Section 70, Block 1, W & NW RR Co Survey, Loving County, TX.
- Tract C 175 acres out of the Northeast part of Section 76, Block 33, H&TC RR Co Survey, Loving County, TX.

47237

SECTION 70, BLOCK 1, W. & NW. RR. CO. SURVEY
SECTION 76, BLOCK 33, H. & T.C. RR. CO. SURVEY



NOTES:

1. COORDINATES AND BEARINGS SHOWN HEREON ARE NAD 83, LAMBERT GRID COORDINATES AND CONFORM TO THE TEXAS COORDINATE SYSTEM "TEXAS CENTRAL ZONE," WITH REFERENCE TO USGS TRI-STATION "INGLE" WITH A CENTRAL COMBINED SCALE FACTOR OF 0.99980780. THE POSITIONAL TOLERANCE OF THIS SURVEY EXCEEDS THE REQUIREMENTS FOR A RURAL SURVEY.
2. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND REVIEW OF THE ABSTRACT OF TITLE. THERE MAY BE EASEMENTS AND/OR COVENANTS AFFECTING THIS PROPERTY NOT SHOWN HEREON. LOCATION OF IMPROVEMENTS AND/OR EASEMENTS WERE BEYOND COMMISSIONED SCOPE OF THIS PROJECT AND HAVE BEEN SPECIFICALLY OMITTED. VESTING DOCUMENTS NOT FURNISHED FOR THIS SURVEY.
3. SEE DOCUMENTS AND ELECTRONIC DATA FILED IN THE OFFICE OF WPG INC FOR COMPLETE RECONSTRUCTION OF THESE SECTIONS OR BLOCKS.

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS PLAT WAS DERIVED FROM ACTUAL FIELD NOTES OF ON-THE-GROUND SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS FOR THE PRIVATE USE OF THE PARTY NAMED IN THE "REFERENCE PORTION" OF THE TITLE BLOCK AND DOES NOT CONSTITUTE A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE "PROFESSIONAL LAND SURVEYING PRACTICES ACT."



-  GAS WELL
-  WATER INJECTION WELL
-  OIL WELL
-  LOCATED WELL
-  DRY HOLE
-  WATER WELL
-  SHUT IN WELL

W.D. Watson, Jr. TEXAS R.P.L.S. No. 1989
FILE: T:LOVING\BLOCK1.dwg

12/17/13
DATE



P.O. DRAWER 11186
MIDLAND, TEXAS 79702
(432) 520-9200
FAX (432) 520-9212
wjwatson@wfg-us.com

CONSULTING ENGINEERS, LAND SURVEYORS & PLANNERS

PERMIT PLAT
ENERGEN RESOURCES CORPORATION
YELLOW JACKET STATE UNIT 1-70 2H
S/L & PROPOSED P/P: 755' FSEL & 540' FNEL
PROPOSED 1ST T/P: 762' FSEL & 900' FNEL
SECTION 70, BLOCK 1, W. & NW. RR. CO. SURVEY
PROPOSED LAST T/P & B/H: 600' FSEL & 2600' FNEL
SECTION 76, BLOCK 33, H. & T.C. RR. CO. SURVEY
LOVING COUNTY, TEXAS ••• •

DATE: DECEMBER 16, 2013

DATE SURVEYED: 12/11/13

JOB NO.: 13-4125-00 FIELD BOOK 732/12

DRANT TA REV. C

File No. M-64848
Amendment of Yellow Jacket
State Unit 1-70 #6666
Date Filed: 2/4/14
Jerry E. Patterson, Commissioner
By [Signature]

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.....
.....
.....

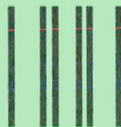
UNITED STATES POSTAL SERVICE

BIRMINGHAM

AL 350

04 MAY '15

FN 3 L



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •



Texas General Land Office

George P. Bush, Commissioner

P.O. Box 12873

Austin, Texas 78711-2873

21510



7011 1150 0001 2418 7157

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Enargen Resources Corporation
Attn: Cristy Vice
605 Richard Arrington Jr
Blvd North
Birmingham, AL 35203-2707

2. Article Number

(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

D. Marcus Davis

☐ Agent

☐ Addressee

B. Received by (Printed Name)

D. Marcus Davis

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below:

☐ No

*MF064848
Shirley Chou*

3. Service Type

☐ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7011 1150 0001 2415 6924



Texas General Land Office

Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

COPY

Energen Resources Corporation
Attn: Cristy Vice
605 Richard Arrington Jr Blvd North
Birmingham, AL 35203-2707

Billing Date: 5/1/2015
Billing Due Date: 5/31/2015
Customer Number: C000043130

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
15I00441	MF064848	\$75,543.89	\$0.00	\$7,554.39	\$2,473.89	\$85,572.17
Total Due		\$75,543.89	\$0.00	\$7,554.39	\$2,473.89	\$85,572.17

Penalty and interest have been calculated thru 5/31/2015. Payment remitted after 5/31/2015 will result in additional penalty and interest charges.

Contact Info: Shirley Chou (512) 463-5408 or shirley.chou@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit <http://www.glo.texas.gov>, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Energen Resources Corporation

Billing Date: 5/1/2015

Billing Due Date: 5/31/2015

Customer Number: C000043130

Remit Payment To:

Texas General Land Office

PO Box 12873

Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
15I00441	MF064848	\$75,543.89	\$0.00	\$7,554.39	\$2,473.89	\$85,572.17
Total Due		\$75,543.89	\$0.00	\$7,554.39	\$2,473.89	\$85,572.17
Amt. Paid						

Customer ID: C000043130

Invoice Number:

GLO Lease: MF064848

GLO Review: ENERGEN RESOURCES CORP

Review Period JAN 2014 THROUGH JULY 2014

Auditor/AE: schou

Billing Date: 5/6/2015

P&I Calculation Date: 5/31/2015

Royalty Rate: 16.67%

Month / Year	RRC Number	(1) Gas Volume	(2) Tract Participation Rate	(3) Price	(4) BTU	(5) Gross Value (1)x(3)x(4)	(6) Royalty Due (5) * Royalty Rate	(7) Royalty Paid	(8) Additional Royalty Due	(9) Number of Days Late	(10) Interest Rate For Additional Royalty	(11) Penalty From Additional Royalty	(12) Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
Jan-14	08-45247	7,160	1	\$ 4.469672	1.134466	\$36,306.15	\$6,051.04	\$0.00	\$6,051.04	442	4.250000%	\$605.10	\$269.85	\$6,925.99
Feb-14	08-45247	11,574	1	\$ 5.798598	1.134949	\$76,169.80	\$12,694.99	\$0.00	\$12,694.99	411	4.250000%	\$1,269.50	\$520.32	\$14,484.81
Mar-14	08-45247	11,630	1	\$ 4.354506	1.127293	\$57,089.39	\$9,514.92	\$0.00	\$9,514.92	381	4.250000%	\$951.49	\$356.74	\$10,823.15
Apr-14	08-45247	13,366	1	\$ 4.285507	1.130483	\$64,754.16	\$10,792.38	\$0.00	\$10,792.38	350	4.250000%	\$1,079.24	\$365.68	\$12,237.30
May-14	08-45247	11,521	1	\$ 4.172846	1.129107	\$54,282.22	\$9,047.06	\$0.00	\$9,047.06	320	4.250000%	\$904.71	\$274.94	\$10,226.71
Jun-14	08-45247	16,970	1	\$ 4.329190	1.141686	\$83,875.51	\$13,979.28	\$0.00	\$13,979.28	289	4.250000%	\$1,397.93	\$374.38	\$15,751.59
Jul-14	08-45247	18,031	1	\$ 3.927646	1.140721	\$80,785.16	\$13,464.22	\$0.00	\$13,464.22	258	4.250000%	\$1,346.42	\$311.98	\$15,122.62
TOTALS		90,252				\$453,262.40	\$75,543.88	\$0.00	\$75,543.88			\$7,554.39	\$2,473.89	\$85,572.16

COMMENTS: COLUMN (1) VOLUME : REPRESENTS THE UNDER REPORTED TRACT VOLUME FROM UNIT 6660 (YELLOW JACKET STATE UNIT 1-70, RRC #08-45247).

COLUMN (3), (4) PRICE, BTU : PER GLO-2 PRODUCTION REPORT.

COLUMN (10), (11), (12) :SEE ATTACHMENT III, SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

TRANSMISSION LINE VOLUMES REPORTED TO THE GLO WAS COMPARED TO VOLUMES REPORTED TO THE RRC, VOLUMES WERE UNDER REPORTED TO THE GLO RESULTING IN UNDER PAID ROYALTY.

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM MONTHLY ROYALTY PAYMENTS. THE PREFERRED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

NOTE 2: NEED TO SUBMIT THE GLO-2 REPORT TO REFLECT THE ADDITIONAL ROYALTY DUE AMOUNT.

ATTENTION: CRISTY VICE

CERTIFIED MAIL : 70111150000124156924

96

File No. MF 064848

Loving County

Reconciliation Billing

Date Filed: 3/4/16

George P/Bush, Commissioner

By Nayda Ramirez



October 25, 2016

Texas General Land Office
Attn: Mr. Matthew Scott
1700 North Congress Avenue
Austin, Texas 78701-1495

RE: Consent to Perform On-Lease Gas Lift Operations
State Fee OGL
Yellow Jacket State Unit 1-70 #1H & 2H Wells – MF-64848/Unit 6660
Section 76, Block 33, H&TC RR Co. Survey &
Section 70, Block 1, W&NW RR Co. Survey
Loving County, Texas

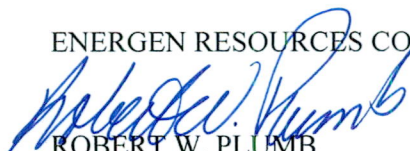
Dear Mr. Scott:

Energen Resources Corporation, as Operator of the captioned wells and pursuant to the terms of the captioned State Oil and Gas Lease, hereby requests approval to perform on-lease gas lift operations involving said Oil and Gas Lease.

Thank you for your time and consideration of this request. Please call me at (205) 326-4395 if you have any questions or if you need any additional information.

Yours very truly,

ENERGEN RESOURCES CORPORATION


ROBERT W. PLUMB
Land Advisor



21.15.01

97

File No. ME064848

LOVING County

REQUEST TO GAS LIFT

Date Filed: 3/30/17

George P. Bush, Commissioner

MT SCOTT



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

November 8, 2016

Certified Mail: 7016 2070 0000 7391 7550

Mr. Robert W. Plumb
Land Advisor
Energen Resources Corporation
605 Richard Arrington, Jr. Boulevard North
Birmingham, AL 35203-2707

RE: Your Application Dated 10/25/2016 for Authority to Utilize Gas Produced on the Leased Premises for Gas Lift Purposes as Applicable to the Yellow Jacket State Unit 1-70 Lease, MF064848, GLO Unit 6660, Loving County, Texas.

Dear Mr. Peacock:

General Land Office staff has reviewed your letter dated October 25, 2016 that requested permission to utilize on-lease gas for gas lift operations on the referenced leases. Energen Resources does not utilize makeup or buy-back gas in the gas lift system serving the GLO Unit 6660 wells.

Pursuant to the terms of the applicable State lease, please be advised that the request to recycle gas on the leased premises is approved subject to the following conditions:

1. Lessee shall install and utilize square-edged orifice meters and continuously meter the gas lift supply to each well and the gas that passes through any other gas lift supply and distribution meter.
2. The gas BTU content and component analysis obtained at each lease/unit gas meter shall be determined by gas sample chromatographic analysis.

If you have questions, please contact me at (512) 475-2230, or by FAX at (512) 475-1543. My e-mail address is matthew.scott@glo.state.tx.us

Sincerely,

Matthew T. Scott, P.E.
Petroleum Engineer
Energy Resources/Mineral Leasing

cc: Robert Hatter, Deputy Director of Energy Resources
Dale Sump, Director of Minerals Audit

MF 064848

LOVING County

AGREE TO GASLIFT

DATE 3/30/17

Geon. Tech. Commissioner

MT SCOTT

MF 064848

Vendor No.	Vendor Name	Check Date	Check Number	Check Total
7002610	GENERAL LAND OFFICE OF TEXAS	Apr-28-2020	000054792	\$1,750.00

INV DATE	VENDOR INV #	TOTAL AMOUNT	PRIOR PMTS & DISCOUNTS	NET AMOUNT
04/15/20	SHUTIN CATFISH01	1,750.00	0.00	1,750.00

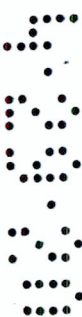
1

+

121

Direct Inquiries to:
Phone: (972)332-1419
E-Mail: OIAP@FDLENERGY.COM

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING



FDL Operating, LLC.
5221 N O'Connor Blvd.
Suite 1100
Irving, Texas 75039

JPMorgan Chase Bank,
N.A., Dallas, TX

32-61/1110
000054792

CHECK NO	CHECK DATE	PAY EXACTLY
000054792	Apr-28-2020	\$1,750.00

PAY
EXACTLY

ONE THOUSAND SEVEN HUNDRED FIFTY DOLLARS and ZERO CENTS

TO THE
ORDER
OF

GENERAL LAND OFFICE OF TEXAS
1700 CONGRESS AVE.
AUSTIN TX 78701-1495

AUTHORIZED SIGNATURE

⑈000054792⑈



20708567

Page 1 of 1

MF 064848

Vendor No.	Vendor Name	Check Date	Check Number	Check Total
7002610	GENERAL LAND OFFICE OF TEXAS	Apr-28-2020	000054790	\$1,750.00

INV DATE	VENDOR INV #	TOTAL AMOUNT	PRIOR PMTS & DISCOUNTS	NET AMOUNT
04/15/20	SHUTIN CATFISH03	1,750.00	0.00	1,750.00

Direct Inquiries to:
 Phone: (972)332-1419
 E-Mail: OIAP@FDLENERGY.COM

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING



FDL Operating, LLC.
 5221 N O'Connor Blvd.
 Suite 1100
 Irving, Texas 75039

JPMorgan Chase Bank,
 N.A., Dallas, TX

32-61/1110
 000054790

CHECK NO	CHECK DATE	PAY EXACTLY
000054790	Apr-28-2020	\$1,750.00

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TO THE
 ORDER
 OF

GENERAL LAND OFFICE OF TEXAS
 1700 CONGRESS AVE.
 AUSTIN TX 78701-1495

AUTHORIZED SIGNATURE

⑈000054790⑈

Details on Back.

Security Features Included

09.09.11

99.

File No. MF064848
Shut in payments County
Catfish Unit 1041
Date Filed: 10/7/20
George P. Bush, Commissioner
By SSD



Texas General Land Office

Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

Diamondback E&P LLC
515 Central Park Drive, Suite 500
Oklahoma City, OK 73105-1704

Billing Date: 12/2/2021
Billing Due Date: 1/1/2022
Customer Number: C000089009

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
22I00127	MF064848	\$2,088.52	\$0.00	\$236.36	\$231.24	\$2,556.12
Total Due		\$2,088.52	\$0.00	\$236.36	\$231.24	\$2,556.12

Penalty and interest have been calculated thru 12/31/2021. Payment remitted after 12/31/2021 will result in additional penalty and interest charges.

Jacquet,David (512) 463-5262 or david.jacquet@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For questions regarding this invoice, email us at glo123@glo.texas.gov

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Diamondback E&P LLC

Billing Date: 12/2/2021

Billing Due Date: 1/1/2022

Customer Number: C000089009

Remit Payment To:

Texas General Land Office

PO Box 12873

Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
22I00127	MF064848	\$2,088.52	\$0.00	\$236.36	\$231.24	\$2,556.12
Total Due		\$2,088.52	\$0.00	\$236.36	\$231.24	\$2,556.12
Amt. Paid						

Customer ID: C000089009
 Invoice Number:
 GLO Lease: MF064848
 GLO Review: DIAMONDBACK E&P LLC
 Review Period: SEPT 2019 - AUG 2020

Category Gas
 Auditor/AE: DJACQUET
 Billing Date: 12/1/2021
 P&I Calculation Date: 12/31/2021
 Royalty Rate: 16.67%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	For Additional Royalty	Penalty From Additional Royalty	Interest From Additional Royalty	Revenue Due
Sep-19	08-45247	0	1	\$0.000	1.00	\$0.00	\$1,536.11	\$986.15	\$549.96	777	6.50%	\$55.00	\$70.32	\$675.28
Oct-19	08-45247	0	1	\$0.000	1.00	\$0.00	\$1,629.67	\$961.91	\$667.76	747	6.50%	\$66.78	\$81.81	\$816.35
Nov-19	08-45247	0	1	\$0.000	1.00	\$0.00	\$909.74	\$513.93	\$395.81	716	5.75%	\$39.58	\$40.97	\$476.36
Dec-19	08-45247	1,597	1	\$0.917	1.00	\$1,460.75	\$243.46	\$0.00	\$243.46	685	5.75%	\$25.00	\$24.01	\$292.47
Jul-20	08-45247	336	1	\$0.578	1.03	\$200.44	\$33.41	\$0.00	\$33.41	472	5.75%	\$25.00	\$2.17	\$60.58
Aug-20	08-45247	628	1	\$0.819	1.03	\$530.72	\$88.45	\$0.00	\$88.45	442	5.75%	\$25.00	\$5.34	\$118.79
Aug-20	08-45247	779	1	\$0.819	1.03	\$658.03	\$109.67	\$0.00	\$109.67	442	5.75%	\$0.00	\$6.62	\$116.29
TOTALS		3,340				\$2,849.94	\$4,550.51	\$2,461.99	\$2,088.52			\$236.36	\$231.24	\$2,556.12

COMMENTS: BILLING ON UNDER PAID ROYALTIES AND UNDER REPORTED VOLUMES FOR RRC ID#: UNIT 60660 08-45247.

COLUMN (3) VOLUMES - REPRESENTS THAT THE BILLING FOR UNDER REPORTED VOLUMES. VOLUMES REPORTED TO THE GLO VERSUS VOLUMES REPORTED TO THE RRC.
 ZERO FOR THE VOLUMES INDICATES THE BILLING IS FOR UNDER PAID ROYALTIES. ROYALTIES REPORTED DUE TO THE GLO VERSUS ROYALTIES PAID TO THE GLO.
 COLUMN (5) (6) PRICES & BTU FACTORS - THE PRICES AND BTU FACTORS WERE DETERMINED BY USING THE AVERAGE PRICES AND BTU FACTORS REPORTED ON THE GLO2S.

COLUMNS (12),(13),(14) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
<http://www.glo.texas.gov/energy-business/oil-gas/rac/forms/penalty-interest-assessment-rules.pdf>

NOTE 1: PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. PAYMENT MAY BE MADE BY CHECK OR ACH DEBIT
 SEND AN E-MAIL WITH A COPY OF THIS INVOICE ATTACHED TO: account.services@glo.texas.gov NOTING THE CHECK NUMBER OR ACH CONFIRMATION NUMBER WHEN PAYMENT IS REMITTED

FOR QUESTIONS REGARDING THIS INVOICE PLEASE E-MAIL DAVID JACQUET: david.jacquet@glo.texas.gov

ATTN: KRISTEN BUTCHER
 SENT VIA E-MAIL: KButcher@diamondbackenergy.com

100

File No. MF064848

Recon Billing County

Date Filed: 12/28/2021

George P. Bush, Commissioner

By VT