



SHELL OIL COMPANY

1700 BROADWAY
DENVER, COLORADO 80202

January 14, 1969

Subject: Pool 915
Kirbie-Government 1-26 Well
Section 26-17N-22W
Ellis and Roger Mills Counties,
Oklahoma

Reply To: D. W. Lohse

Mr. Richard L. Oliver
4129 West 180 Street
Torrance, California 90500

Dear Interest Owner:

Most of you have executed Division Orders for your share of production from the captioned well and will be receiving payments within the near future.

As you are aware, this well is located on a United States Oil and Gas Lease and you are sharing in production by virtue of a State Spacing Order which provides that production from this well is to be distributed proportionately throughout the section.

This well is a good well for this area but, we feel, has not completely developed the section. Our studies and evaluations of the remainder of this section are now completed and have led us to propose the drilling of three additional wells as set forth in the enclosed Communitization Agreement.

Basically, these three wells would be drilled on the three remaining quarter-sections in the section. We now believe the section to be underlain by oil and anticipate the next well to be drilled in the southeast quarter. The next two wells will be drilled in the west half of the section. If a gas well should be drilled and it could be shown that the balance of the section is underlain by gas, no further wells would be due under the Agreement.

Our main thought is to develop this section as it now stands, that is on a 640 acre basis. This Agreement will accomplish 640 acre development upon execution by interest owners and approval of the United States Geological Survey.

Development on a 640 acre basis means that you will continue to share in the present production as well as share in any subsequent production in the section. The big advantage to you is that if a dry hole is encountered on lands contributed by you, your share of the producing lands will not diminish nor be lost.

We feel that this 640 acre plan of development will provide the most benefit for all parties concerned.

There is presently pending before the Corporation Commission of Oklahoma a hearing to despace this section to 80 acre spacing units. The economics of the production in this area, we feel, will require that 160 acre units be drilled and two 80 acre tracts be put together to form this 160 acre tract. We plan to oppose this despacing action as we are attempting to accomplish basically the same idea, that is, there will be one well per 160 acre tract except that we will have a unit based upon the whole section and the dry hole possibilities are shared by all as well as production by the whole section.

If our proposal meets with your approval, we would appreciate your executing one copy of the enclosed Communitization Agreement by signing one copy in the presence of a Notary Public and return it to this office in the enclosed courtesy envelope. The additional copy may be retained for your records.

Your attention to this matter will be greatly appreciated.

Yours very truly,

A handwritten signature in dark ink, appearing to read "T. T. Thompson", written in a cursive style.

For: T. T. Thompson
Division Land Manager
Oklahoma Division

Enclosures

COMMUNITIZATION AGREEMENT

THIS AGREEMENT made and entered into on this 18th day of December, 1968, by and between the undersigned owners of the oil, gas and minerals, and mineral rights, in, on and under the following described lands, who for convenience and identification are hereinafter referred to collectively as "Royalty Owners", and the undersigned Shell Oil Company, Odessa Natural Gasoline Company, Beard Oil Company, Bruce Anderson, Continental Oil Company, and Tenneco Oil Company, owners of the following described oil and gas leases, for convenience and identification hereinafter referred to as "Lessees",

W I T N E S S E T H:

WHEREAS, Lessees are the owners and holders of those certain oil and gas leases covering lands in Section Twenty-six (26), Township Seventeen (17) North, Range Twenty-two (22) West, Ellis and Roger Mills Counties, Oklahoma, which are identified and described in Exhibit A, attached hereto and hereby made a part hereof; and

WHEREAS, it is desired to communitize all of the oil and gas leases described in Exhibit A in order to form one communitized area described as all of Section Twenty-six (26), Township Seventeen (17) North, Range Twenty-two (22) West, Ellis and Roger Mills Counties, Oklahoma, which for the purposes of this agreement shall be deemed to contain exactly 640 acres; and

WHEREAS, by Order No. 62086 in Cause CD No. 24144, a copy of which order is attached hereto, marked Exhibit B, and hereby made a part hereof, the aforesaid Section Twenty-six (26) was established as a drilling and spacing unit for production from the Tonkawa Sand underlying the aforesaid Section Twenty-six (26); and

WHEREAS, in order to be consistent with existing rules and regulations governing well spacing and production allowables, it is desired to operate the communitized area as an entirety for the purpose and intention of developing and producing oil and gas from the Tonkawa Sand in accordance with the terms and provisions of this agreement;

NOW, THEREFORE, in consideration of the premises and mutual advantages offered by this agreement, it is mutually covenanted and agreed by and between the parties hereto that the land subject to this agreement shall be developed and operated as an entirety by the Lessees, or its successors or assigns, for oil and gas producible from the Tonkawa Sand, hereinafter referred to as "communitized substances", with the understanding and agreement that the communitized substances produced from the communitized area shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold, or committed portion, bears to the entire acreage interest committed hereto. The royalties payable for communitized substances so allocated to the lands comprising the leaseholds and the rentals provided for in the individual leases shall be determined and paid on the bases respectively prescribed in such leases. There shall be no obligation on lessees, or its successors or assigns, to offset any well or wells on separate component tracts into which said communitized area is now or may hereafter be divided nor shall lessee, or its successors or assigns, be required to measure separately communitized substances by reason of the diverse ownership of the minerals in and under the communitized area but the lessee shall not be relieved from its obligation to protect said communitized area from drainage by any well or wells which may subject the communitized area to drainage.

Except as herein modified and changed the said oil and gas leases hereinabove described shall remain in full force and effect as originally drawn.

IT IS FURTHER AGREED that the commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production from each and all of the lands within and comprising said communitized area.

which does not on the date hereof have such a well drilled thereon. The drilling of the first such well shall be commenced within thirty (30) days after approval of this agreement by the Oil and Gas Supervisor, United States Geological Survey, with each additional well to be commenced within sixty (60) days following completion of the previously drilled well; provided, however, that the completion of a gas well on the communitized area shall relieve lessees of the obligation of drilling further wells thereon. For the purposes hereof a gas well is defined as a well which, after a reasonable testing period, produces more than 15,000 cubic feet of gas to each barrel of oil or which produces liquid hydrocarbons of 50° or higher A.P.I. gravity.

IT IS FURTHER AGREED that lessees shall petition the Corporation Commission of Oklahoma for an increased allowable for each producing Tonkawa Sand oil well now completed or which may be completed on the aforesaid Section Twenty-six (26).

IT IS FURTHER AGREED that all production of communitized substances and disposal thereof shall be in conformity with allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statute. The provisions of this agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations which affect performance of any of the provisions of this agreement, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from compliance with any such law, order, rule or regulation.

This agreement shall be effective the first day of May, 1967, upon approval by the Secretary of the Interior, or his duly authorized representative, and shall remain in force and effect for a period of two years from said effective date and so long thereafter as any communitized substance is or can be produced from any part of said communitized area in paying quantities.

This agreement shall be and remain in full force and effect in accordance with its terms regardless of the spacing pattern which may from time to time be prescribed or adopted for the communitized area.

This agreement may be executed in one or more counterparts by any of the parties hereto and all counterparts so executed shall be taken as a single agreement and shall have the same force and effect as if all parties had in fact executed but a single instrument.

The Lessee or operator hereby agrees to furnish the Secretary of the Interior or his duly authorized representative with the log and history of any well or wells; the monthly report of operations; the statement of oil and gas runs and royalties, together with such reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations for any wells within the communitized area.

IT IS FURTHER AGREED between the parties hereto that the Secretary of the Interior, or his representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in said departmental oil and gas lease and in the oil and gas regulations of the Department of the Interior.

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

The name and address of the designated Operator of this communitized area is Shell Oil Company, 1700 Broadway, Denver, Colorado 80202.

This agreement shall be binding upon the parties hereto and shall extend to and be binding on their heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first hereinabove written.

SHELL OIL COMPANY

By _____

ODESSA NATURAL GASOLINE COMPANY

ATTEST:

By _____

BEARD OIL COMPANY

ATTEST:

By _____

BRUCE ANDERSON

CONTINENTAL OIL COMPANY

By _____

TENNECO OIL COMPANY

By _____

LESSEES

Richard L. Oliver

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) SS.

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person who executed the foregoing instrument as _____ of SHELL OIL COMPANY, a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the _____ of said corporation, and that said instrument was signed and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed, for the uses, purposes and consideration therein expressed.

Given under my hand and official seal _____.

My Commission Expires:

Notary Public

STATE OF _____)
COUNTY OF _____) SS.

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person who executed the foregoing instrument as _____ of _____, a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the _____ of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed, for the uses, purposes and consideration therein expressed.

Given under my hand and official seal this _____ day of _____, 19____.

My Commission Expires:

Notary Public

STATE OF _____)
COUNTY OF _____) SS.

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person described in and who executed the foregoing instrument, appeared before me this day in person and acknowledged to me that he executed and delivered the same as _____ free and voluntary act and deed, for the uses, purposes and consideration therein expressed, including the relinquishment of dower and homestead.

Given under my hand and official seal this _____ day of _____, 19____.

My Commission Expires:

Notary Public

REPORT OF THE COMMISSION

This cause came on for hearing before the Corporation Commission of Oklahoma on the 1st day of April, 1966, at 10:00 o'clock a.m., in the Commission's Courtroom, Jim Thorpe Building, Oklahoma City, Oklahoma; the Honorable Ray C. Jones, Chairman, Harold Freeman, Vice-Chairman, and Wilburn Cartwright, Member, sitting.

Gordon Watts, Attorney, appeared for the applicant, Shell Oil Company; Thomas J. Lynch, Attorney, appeared for Amerada Petroleum Corporation; and Ralph L. Wampler, Conservation Attorney, and Nell Rhodes Fisher, Assistant Conservation Attorney, appeared for the Commission.

The case was called and referred to W. H. Sollers, Trial Examiner, for the purpose of taking testimony and reporting to the Commission.

The Trial Examiner heard the cause and has filed his report recommending that the application be granted, which report and recommendation are hereby adopted and the Commission therefore finds as follows:

FINDINGS

1. That this is the application of Shell Oil Company for an order extending the area spaced by Order No. 61184, as extended by Order No. 61723, creating 640-acre drilling and spacing units for the production of gas and gas condensate from the Tonkawa Sand, so as to include -

Sections 22 through 27, and 34, 35 and 36, Township 17 North, Range 22 West, Ellis and Roger Mills Counties, Oklahoma.

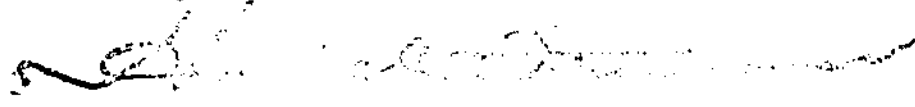
2. That the Commission has jurisdiction over the subject matter herein; that notice has been given in all respects as required by law and no protests have been entered to the granting of the application.

3. That by Order No. 61184, as extended by Order No. 61723, the Commission established 640-acre drilling and spacing units for the production of gas and gas condensate from the Tonkawa Sand underlying a large area to the West of the lands described in Paragraph 1 hereof.

4. That subsequent development now indicates that said common source of supply extends beyond the area spaced therefor and underlies all or a portion of the lands described in Par. one heretof and said orders above set out should be extended so as to include said lands.

5. That the above orders locate the permitted well at any point within 1,320 feet of the center of the unit, and the Canadian River flows over a great many of said units and it has a wide flood plain and in order to avoid this hazard the applicant asks that the above orders be amended so as to locate the permitted well at any point within the center square 160 acres of the unit.


Ray C. Jones, Chairman


Harold Freeman, Vice-Chairman


Wilburn Cartwright



SHELL OIL COMPANY

1700 BROADWAY
DENVER, COLORADO 80202

January 14, 1969

Subject: Pool 915
Kirbie-Government 1-26 Well
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Ellis and Roger Mills Counties,
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Reply To: D. W. Lohse

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As you are aware, this well is located on a United States Oil and Gas Lease and you are sharing in production by virtue of a State Spacing Order which provides that production from this well is to be distributed proportionately throughout the section.

This well is a good well for this area but, we feel, has not completely developed the section. Our studies and evaluations of the remainder of this section are now completed and have led us to propose the drilling of three additional wells as set forth in the enclosed Communitization Agreement.

Basically, these three wells would be drilled on the three remaining quarter-sections in the section. We now believe the section to be underlain by oil and anticipate the next well to be drilled in the southeast quarter. The next two wells will be drilled in the west half of the section. If a gas well should be drilled and it could be shown that the balance of the section is underlain by gas, no further wells would be due under the Agreement.

Our main thought is to develop this section as it now stands, that is on a 640 acre basis. This Agreement will accomplish 640 acre development upon execution by interest owners and approval of the United States Geological Survey.

Development on a 640 acre basis means that you will continue to share in the present production as well as share in any subsequent production in the section. The big advantage to you is that if a dry hole is encountered on lands contributed by you, your share of the producing lands will not diminish nor be lost.

We feel that this 640 acre plan of development will provide the most benefit for all parties concerned.

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Your attention to this matter will be greatly appreciated.

Yours very truly,



For: T. T. Thompson
Division Land Manager
Oklahoma Division

Enclosures

COMMUNITIZATION AGREEMENT

THIS AGREEMENT made and entered into on this 18th day of December, 1968, by and between the undersigned owners of the oil, gas and minerals, and mineral rights, in, on and under the following described lands, who for convenience and identification are hereinafter referred to collectively as "Royalty Owners", and the undersigned Shell Oil Company, Odessa Natural Gasoline Company, Beard Oil Company, Bruce Anderson, Continental Oil Company, and Tenneco Oil Company, owners of the following described oil and gas leases, for convenience and identification hereinafter referred to as "Lessees",

W I T N E S S E T H:

WHEREAS, Lessees are the owners and holders of those certain oil and gas leases covering lands in Section Twenty-six (26), Township Seventeen (17) North, Range Twenty-two (22) West, Ellis and Roger Mills Counties, Oklahoma, which are identified and described in Exhibit A, attached hereto and hereby made a part hereof; and

WHEREAS, it is desired to communitize all of the oil and gas leases described in Exhibit A in order to form one communitized area described as all of Section Twenty-six (26), Township Seventeen (17) North, Range Twenty-two (22) West, Ellis and Roger Mills Counties, Oklahoma, which for the purposes of this agreement shall be deemed to contain exactly 640 acres; and

WHEREAS, by Order No. 62086 in Cause CD No. 24144, a copy of which order is attached hereto, marked Exhibit B, and hereby made a part hereof, the aforesaid Section Twenty-six (26) was established as a drilling and spacing unit for production from the Tonkawa Sand underlying the aforesaid Section Twenty-six (26); and

WHEREAS, in order to be consistent with existing rules and regulations governing well spacing and production allowables, it is desired to operate the communitized area as an entirety for the purpose and intention of developing and producing oil and gas from the Tonkawa Sand in accordance with the terms and provisions of this agreement;

NOW, THEREFORE, in consideration of the premises and mutual advantages offered by this agreement, it is mutually covenanted and agreed by and between the parties hereto that the land subject to this agreement shall be developed and operated as an entirety by the Lessees, or its successors or assigns, for oil and gas producible from the Tonkawa Sand, hereinafter referred to as "communitized substances", with the understanding and agreement that the communitized substances produced from the communitized area shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold, or committed portion, bears to the entire acreage interest committed hereto. The royalties payable for communitized substances so allocated to the lands comprising the leaseholds and the rentals provided for in the individual leases shall be determined and paid on the bases respectively prescribed in such leases. There shall be no obligation on lessees, or its successors or assigns, to offset any well or wells on separate component tracts into which said communitized area is now or may hereafter be divided nor shall lessee, or its successors or assigns, be required to measure separately communitized substances by reason of the diverse ownership of the minerals in and under the communitized area but the lessee shall not be relieved from its obligation to protect said communitized area from drainage by any well or wells which may subject the communitized area to drainage.

Except as herein modified and changed the said oil and gas leases hereinabove described shall remain in full force and effect as originally drawn.

IT IS FURTHER AGREED that the commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production from each and all of the lands within and comprising said communitized area.

a gas well on the communitized area shall relieve lessees of the obligation of drilling further wells thereon. For the purposes hereof a gas well is defined as a well which, after a reasonable testing period, produces more than 15,000 cubic feet of gas to each barrel of oil or which produces liquid hydrocarbons of 50° or higher A.P.I. gravity.

IT IS FURTHER AGREED that lessees shall petition the Corporation Commission of Oklahoma for an increased allowable for each producing Tonkawa Sand oil well now completed or which may be completed on the aforesaid Section Twenty-six (26).

IT IS FURTHER AGREED that all production of communitized substances and disposal thereof shall be in conformity with allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statute. The provisions of this agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations which affect performance of any of the provisions of this agreement, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from compliance with any such law, order, rule or regulation.

This agreement shall be effective the first day of May, 1967, upon approval by the Secretary of the Interior, or his duly authorized representative, and shall remain in force and effect for a period of two years from said effective date and so long thereafter as any communitized substance is or can be produced from any part of said communitized area in paying quantities.

This agreement shall be and remain in full force and effect in accordance with its terms regardless of the spacing pattern which may from time to time be prescribed or adopted for the communitized area.

This agreement may be executed in one or more counterparts by any of the parties hereto and all counterparts so executed shall be taken as a single agreement and shall have the same force and effect as if all parties had in fact executed but a single instrument.

The Lessee or operator hereby agrees to furnish the Secretary of the Interior or his duly authorized representative with the log and history of any well or wells; the monthly report of operations; the statement of oil and gas runs and royalties, together with such reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations for any wells within the communitized area.

IT IS FURTHER AGREED between the parties hereto that the Secretary of the Interior, or his representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in said departmental oil and gas lease and in the oil and gas regulations of the Department of the Interior.

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

The name and address of the designated Operator of this communitized area is Shell Oil Company, 1700 Broadway, Denver, Colorado 80202.

This agreement shall be binding upon the parties hereto and shall extend to and be binding on their heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first hereinabove written.

SHELL OIL COMPANY

By _____

ODESSA NATURAL GASOLINE COMPANY

ATTEST:

By _____

BEARD OIL COMPANY

ATTEST:

By _____

BRUCE ANDERSON

CONTINENTAL OIL COMPANY

By _____

TENNECO OIL COMPANY

By _____

LESSEES

Richard L. Oliver

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICATION OF SHELL OIL COMPANY FOR EXTENSION)
OF TONKAWA SAND SPACING ORDERS NOS. 61184 AND) CAUSE CD NO. 24,144
61723 TO COVER ADDITIONAL LANDS IN ELLIS AND)
ROGER MILLS COUNTIES, OKLAHOMA, AND TO AMEND)
SAID ORDERS IN REGARD TO THE PERMITTED WELL)
LOCATION FOR EACH DRILLING AND SPACING UNIT)

62086

REPORT OF THE COMMISSION

This cause came on for hearing before the Corporation Commission of Oklahoma on the 1st day of April, 1966, at 10:00 o'clock a.m., in the Commission's Courtroom, Jim Thorpe Building, Oklahoma City, Oklahoma; the Honorable Ray C. Jones, Chairman, Harold Freeman, Vice-Chairman, and Wilburn Cartwright, Member, sitting.

Gordon Watts, Attorney, appeared for the applicant, Shell Oil Company; Thomas J. Lynch, Attorney, appeared for Amerada Petroleum Corporation; and Ralph L. Wampler, Conservation Attorney, and Nell Rhodes Fisher, Assistant Conservation Attorney, appeared for the Commission.

The case was called and referred to W. H. Sollers, Trial Examiner, for the purpose of taking testimony and reporting to the Commission.

The Trial Examiner heard the cause and has filed his report recommending that the application be granted, which report and recommendation are hereby adopted and the Commission therefore finds as follows:

FINDINGS

1. That this is the application of Shell Oil Company for an order extending the area spaced by Order No. 61184, as extended by Order No. 61723, creating 640-acre drilling and spacing units for the production of gas and gas condensate from the Tonkawa Sand, so as to include -

Sections 22 through 27, and 34, 35 and 36, Township 17 North, Range 22 West, Ellis and Roger Mills Counties, Oklahoma.

2. That the Commission has jurisdiction over the subject matter herein; that notice has been given in all respects as required by law and no protests have been entered to the granting of the application.

3. That by Order No. 61184, as extended by Order No. 61723, the Commission established 640-acre drilling and spacing units for the production of gas and gas condensate from the Tonkawa Sand underlying a large area to the West of the lands described in Paragraph 1 hereof.

4. That subsequent development now indicates that said common source of supply extends beyond the area spaced therefor and underlies all or a portion of the lands described in Par. one hereof and said orders above set out should be extended so as to include said lands.

5. That the above orders locate the permitted well at any point within 1,320 feet of the center of the unit, and the Canadian River flows over a great many of said units and it has a wide flood plain and in order to avoid this hazard the applicant asks that the above orders be amended so as to locate the permitted well at any point within the center square 160 acres of the unit.

6. That in the interest of securing the greatest ultimate recovery of gas and gas condensate from the pool, the prevention of waste and the protection of correlative rights, this application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Corporation Commission of Oklahoma, as follows:

1. That the area spaced by Order No. 61184, as extended by Order No. 61723, creating 640-acre drilling and spacing units for the production of gas and gas condensate from the Tonkawa Sand, be and the same is hereby extended so as to include -

Sections 22 through 27, and 34, 35 and 36, Township 17 North, Range 22 West, Ellis and Roger Mills Counties, Oklahoma.

2. That each governmental section shall constitute a drilling and spacing unit and the permitted well shall be located at any point within the center square 160 acres of the unit, and Orders Nos. 61184 and 61723 are hereby amended so as to locate the permitted well in the area covered by said orders at any point within the center square 160 acres of the unit.


3. That a map be attached hereto marked Exhibit "A" and made a part hereof showing the outline of the area spaced herein, the size and shape of the drilling units and the location of the permitted well in each unit.

4. That all royalty interests within any spacing unit shall be communitized and each royalty owner within any unit shall participate in the royalty from the well drilled thereon in the relation that the acreage owned by him bears to the total acreage in the unit.

5. That in the event there are divided or undivided interests within any unit and the parties are unable to agree on a plan for the development of the unit, then their rights and equities shall be adjudicated by the Commission as provided for by subsection d, Section 87.1, Title 52, 1951 O.S.A.

DONE AND PERFORMED this 1st day of April, 1966.

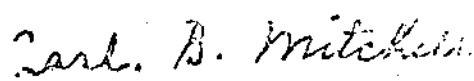
CORPORATION COMMISSION OF OKLAHOMA


Ray C. Jones, Chairman


Harold Freeman, Vice-Chairman


Wilburn Cartwright, Member

ATTEST:


Secretary

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) SS.

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person who executed the foregoing instrument as _____ of SHELL OIL COMPANY, a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the _____ of said corporation, and that said instrument was signed and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed, for the uses, purposes and consideration therein expressed.

Given under my hand and official seal _____.

My Commission Expires:

Notary Public

STATE OF _____)
COUNTY OF _____) SS.

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person who executed the foregoing instrument as _____ of _____, a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the _____ of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed, for the uses, purposes and consideration therein expressed.

Given under my hand and official seal this _____ day of _____, 19____.

My Commission Expires:

Notary Public

STATE OF _____)
COUNTY OF _____) SS.

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person described in and who executed the foregoing instrument, appeared before me this day in person and acknowledged to me that he executed and delivered the same as _____ free and voluntary act and deed, for the uses, purposes and consideration therein expressed, including the relinquishment of dower and homestead.

Given under my hand and official seal this _____ day of _____, 19____.

My Commission Expires:

Notary Public

EXHIBIT A

Attached to and made a part of
Communitization Agreement effective May 1, 1967,
Describing Section 26, Township 17 North, Range 22 West,
Ellis and Roger Mills Counties, Oklahoma

(Being a Description of Various Oil and Gas Leases covering Lands in Section 26)

Lease Owned by Continental Oil Company

State of Oklahoma Oil and Gas Mining Lease dated February 8, 1966, recorded in Book 70 at Page 263, from the Commissioners of the Land Office of the State of Oklahoma, as lessor, to Continental Oil Company, as lessee, covering the following described lands in Ellis and Roger Mills Counties, Oklahoma, to wit:

NE $\frac{1}{4}$ NE $\frac{1}{4}$ and Lot 2 and the bed of the South Canadian River riparian to Lot 2 in Section 26, Township 17 North, Range 22 West.

Leases Owned by Odessa Natural Gasoline Company

1. Lease dated February 3, 1966, recorded in Book 69 at Page 428, from the Federal Land Bank of Wichita, as lessor, to El Paso Products Company, as lessee; and
2. Lease dated February 3, 1966, recorded in Book 69 at Page 424, from J. I. Kirbie and Emma F. Kirbie, as lessors, to El Paso Products Company, as lessee,

insofar as said leases cover and include the following described lands in Ellis and Roger Mills Counties, Oklahoma, to wit:

S $\frac{1}{2}$ SE $\frac{1}{4}$ and Lot 5 and the bed of the South Canadian River riparian to Lot 5 in the aforesaid Section 26.

Lease Owned by Tenneco Oil Company

United States Oil and Gas Lease Serial No. NM-0140971A dated April 1, 1963, insofar as it covers that portion of the bed of the South Canadian River in said Section 26, which is riparian to Lot 4 of Section 23, Township 17 North, Range 22 West.

Lease Owned by Beard Oil Company and Bruce Anderson

United States Oil and Gas Lease Serial No. NM-020597 (Ok1.) dated December 1, 1956, covering the N $\frac{1}{2}$ SE $\frac{1}{4}$ and S $\frac{1}{2}$ NE $\frac{1}{4}$ and Lot 3 of the aforesaid Section 26.

Leases Owned by Shell Oil Company

1. Lease dated March 9, 1967, recorded in Book 83 at Page 86, from J. I. Kirbie and Emma F. Kirbie, as lessors, to Shell Oil Company, as lessee, covering Lot 4 and the bed of the South Canadian River riparian to Lot 4 in the aforesaid Section 26 (OK-23568)

2. United States Oil and Gas Lease Serial No. NM-0140971 (Ok1.) dated April 1, 1963, insofar as it covers the bed of the South Canadian River riparian to Lot 3 in the aforesaid Section 26 and that portion of the bed of the South Canadian River in said Section 26 which is riparian to Lot 1 of Section 35, Township 17 North, Range 22 West (OK-23175)
3. (a) Lease dated May 24, 1966, from Daphene Blossom Crawford et al., as lessors, to Shell Oil Company, as lessee, recorded in Book 167 at Page 157;

(b) Lease dated August 8, 1956, from Arnold W. Brown and Faye Brown, as lessors, to Geo. L. Aycock, as lessee, recorded in Book 83 at Page 229;

(c) Lease dated May 2, 1966, from Ruby M. Steinfeldt, as lessor, to Shell Oil Company, as lessee, recorded in Book 167 at Page 161;

(d) Lease dated June 20, 1966, from Arthur M. Green and Nellie Jane Green, as lessors, to Shell Oil Company, as lessee, recorded in Book 167 at Page 163;

(e) Lease dated June 20, 1966, from Bennie Harmon and Jensen Harmon, as lessors, to Shell Oil Company, as lessee, recorded in Book 167 at Page 165; and

(f) Lease dated June 20, 1966, from Raymond Kinaman, as lessor, to Shell Oil Company, as lessee, recorded in Book 167 at Page 167,

insofar as said leases numbered 3(a) to 3(f), inclusive, cover and include that portion of the bed of the South Canadian River in the aforesaid Section 26 which is riparian to Lots 2 and 3 of Section 27, Township 17 North, Range 22 West (OK-13793)
4. Lease dated August 3, 1956, recorded in Book 83 at Page 321, from Elsie Nuttal, as lessor, to Geo. L. Aycock, as lessee, insofar as it covers Lot 1 and that portion of the bed of the South Canadian River riparian thereto in the aforesaid Section 26, and that portion of the bed of the South Canadian River in said Section 26 which is riparian to Lot 1 of Section 27, Township 17 North, Range 22 West (OK-13811)