

RESOLUTION OF THE GOVERNING BODY OF
THE THREE AFFILIATED TRIBES OF THE
FORT BERTHOLD RESERVATION

WHEREAS, This Nation having accepted the Indian Reorganization Act of June 18, 1934, and authority under said Act, and

WHEREAS, The Constitution and By-Laws of the Three Affiliated Tribes Charge the Tribal Business Council of the Three Affiliated Tribes to protect and preserve the property, wildlife, and natural resources of the Tribes, and

WHEREAS, The Three Affiliated Tribes is in need of a model UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF A UNIT AREA (Oil & Gas), and

WHEREAS, This UNIT AGREEMENT must be a product that maintains the Three Affiliated Tribes' best interest in Oil & Gas development, and

WHEREAS, The attached UNIT AGREEMENT prepared by CERT has been fully scrutinized and meets the needs of the Three Affiliated Tribes, and

NOW THEREFORE BE IT RESOLVED THAT, the attached UNIT AGREEMENT be adopted as the official model agreement to be utilized in all future unitization negotiations, and

BE IT FURTHER RESOLVED THAT, the Bureau of Indian Affairs, New Town Agency, retain a copy of the attached and advise interested and affected parties (oil companies, etc) that such document exists.

C E R T I F I C A T I O N

I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, hereby certify that the Tribal Business Council is composed of 11 members of whom 7 constituting a quorum, 10 were present at a Regular meeting, thereof duly called, noticed, convened, and held on the 14th day of August, 1980: that the foregoing resolution was duly adopted at such meeting by the affirmative vote of 7 memebers, 0 members opposed, 0 abstained, 0 members passed, and that said resolution has not been rescinded or amended in any was.

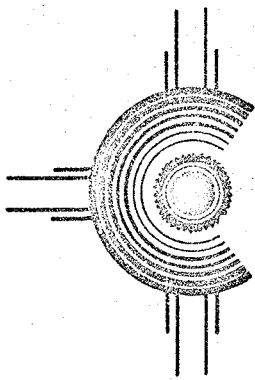
Chairman (voting) (not voting)

Dated this 14th day of August, 1980.

Alvin Maurice Nees
Secretary, Tribal Business Council

ATTEST:

Austin S. Dittus
Chairman, Tribal Business Council



Council Of Energy Resource Tribes

5660 So. Syracuse Circle • Plaza North
Suite 206 • Englewood, Colorado 80110

Executive Committee:

Peter MacDonald July 23, 1980
Chairman
Navajo

Wilfred Scott
Vice-Chairman
Nez Perce

Leonard Atole Mr. Austin Gillette, Chairman
Secretary Three Affiliated Tribes
Jicarilla Apache Business Council
Allen Rowland Box 220
Treasurer New Town, ND 58763
Northern Cheyenne

Leonard Burch
Executive Member Dear Chairman Gillette:
Southern Ute

Forest Horn
Executive Member Attached you will find the two documents that you requested from CERT at
Crow the Business Council meeting in New Town on July 9, 1980:

Judy Pinnecoose
Executive Member
Ute Mountain

- 1) a revised form of the Unit Agreement for the Development and Operation of the Clark Creek Unit Area, prepared from the proposed revisions submitted by CERT on May 28, 1980 and accepted by the Business Council at the July 9 meeting; and
- 2) a master copy of a letter, to be sent to all leaseholders, expressing the Tribe's and the allottee's interest in joining the proposed unit area once the terms of the standard BIA form are revised to reflect current Tribal priorities.

Board Members:

Acoma Pueblo
Blackfeet
Cheyenne River Sioux
Chippewa-Cree
Colville
Fort Belknap
Fort Berthold
Fort Hall
Fort Peck
Hopi
Jemez Pueblo
Pueblo of Laguna
Santa Ana Pueblo
Spokane
Utah-Ouray
Wind River
Yakima
Zia

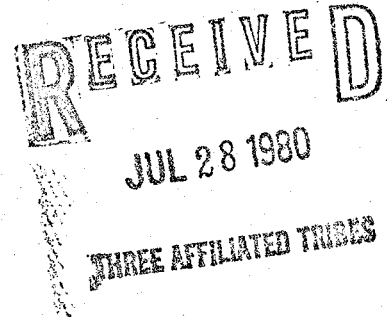
Please review these documents and contact me directly if there is any question about their content or their format.

Once you and the Business Council approve the new agreement, it will be necessary to send the revised Unit Agreement to the William G. Helis partnership in New Orleans with a letter explaining the Tribe's interest in joining the unit area under the terms of the revised agreement.

Once the master letter is approved by you and the Council, a copy will need to be prepared for each royalty owner of each lease to be included in the proposed unit area. Once each letter is signed by the royalty owner, the Tribal Chairman, and the Superintendent, it will then need to be addressed to the appropriate leaseholder(s) and mailed to them. A list of each lease, leaseholder and royalty owner proposed for inclusion in the proposed unit area is attached to this letter. According to my estimates, 22 separate letters from the Tribe and allottees will need to be sent to the five leaseholders subject to the proposed unit area.

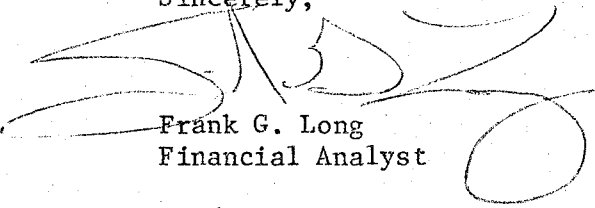
Executive Director:

Ed Gabriel



I hope that these documents meet the approval of you and the Business Council. However, if there are any questions concerning them, please feel free to contact me so that I can answer them over the telephone or arrange a trip to Fort Berthold.

Sincerely,



Frank G. Long
Financial Analyst

FGL/jd

Enclosures

cc: Ed Gabriel
Ted Smith
Ahmed Kooros
Nancy Zidonis
Ron Zee

(THE LEASE HOLDER)

RE: Proposal by the Estate of William G. Helis for the inclusion of lease # _____ in the Clark Creek Unit Area, McKenzie County, North Dakota.

Dear Sir:

We are pleased to notify you that we agree, in principle, with the proposal by the Estate of William G. Helis for the inclusion of our lease in the Clark Creek Unit Area, McKenzie County, North Dakota.

However, this letter is intended to notify you that our acceptance of the terms for the proposed unit area is contingent upon the renegotiation of the terms of our present lease with your company. The new terms which we wish to include in the current lease are:

- a) a 20% royalty to replace the 16 2/3% rate;
- b) an option to obtain in-kind royalty payments or cash payments;
- c) a one-time, non-recoverable bonus payment of \$250 an acre payable upon the approval of the proposed unit area by the Secretary of the Interior or his designated representative;
- d) a clause to allow for a periodic renegotiation of the financial terms of this lease, on a five-year basis.

We understand that unitization is proposed for the benefit of royalty owners as well as leaseholders; however, due to the perpetual nature of unitization and the character of the standard BIA terms under which this land is leased, we feel that it is necessary for us to request the above-mentioned terms as a prerequisite to our approval.

We are certain that you understand our sincerity in proposing these terms and the importance with which we, the Tribal Business Council, and the Superintendent of the Bureau of Indian Affairs attached to them.

Sincerely,

(THE ROYALTY OWNER)

(THE TRIBAL CHAIRMAN)

(THE SUPERINTENDENT, BIA)

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
CLARK CREEK UNIT AREA
COUNTY OF MCKENZIE
STATE OF NORTH DAKOTA

No. _____

THIS AGREEMENT, entered into as of the _____ day of _____, 1980, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto".

WITNESSETH:

WHEREAS the parties hereto are the owners of working, royalty or other oil gas interests in the unit area subject to this agreement; and

WHEREAS the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sec. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field, or like area, or any part thereof for the purposes of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS the rules and regulations governing the leasing of Tribal Indian lands for oil and gas promulgated by the Secretary of the Interior (25 CFR Part 171) 347, 25 U.S.C. 396 et seq., and the oil and gas leases covering said Tribal Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS the rules and regulations governing the leasing of Allotted Indian lands for oil and gas promulgated by the Secretary of the Interior (25 CFR Part 172) under and pursuant to the Act of March 3, 1909, ch. 263, 35 Stat., 783, as amended, 25 U.S.C. 396 and the oil and gas leases covering Allotted Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS the parties hereto hold sufficient interests in the Clark Creek Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS it is the purpose of the parties hereto conserve natural resources, prevent waste, and secure other benefits obtainable through development and operation of the area subject to this agreement under the terms, conditions, and limitations herein set forth;

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in below-defined unit area, and agree severally among themselves as follows:

1. ENABLING ACT AND REGULATIONS. The Mineral Leasing Act of February 25, 1920, as amended, supra, Tribal Land Mineral Leasing Act, supra, and the Act of March 3, 1909, supra, and all valid pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder or valid, pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this agreement as to Federal and Indian lands, provided such regulations are not inconsistent with the terms of this agreement; and as to non-Federal and non-Indian lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the non-Federal and non-Indian land is located, are hereby accepted and made a part of this agreement.

2. UNIT AREA. The area specified on the map attached hereto marked Exhibit "A: is hereby designated and recognized as constituting the unit area, containing 3,969.33 acres [more or less.]

Exhibit "A" shows, in addition to the boundary of the unit area, the boundaries and identify of tracts and leases in said area to the extent known to the Unit Operator. Exhibit "B" attached hereto is a schedule showing to the extent known to the Unit Operator the acreage, percentage and kind of ownership of oil and gas interests in all land in the unit area. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as shown in said map or schedule as owned by such party. Exhibit "A: and "B" shall be revised by the Unit Operator whenever changes in the unit area render such revision necessary, or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor" or by the Commissioner of the Bureau of Indian Affairs or his duly authorized representative, herein after referred to as "Commissioner or when requested by the Three Affiliated Tribes Business Council hereafter referred to as "Council," or by the Superintendent" and not less than five copies of the revised Exhibits shall be filed with the Supervisor.

The above-described unit area shall when practicable be expanded to include therein any additional lands or shall be contracted to exclude lands whenever such expansion or contraction is deemed to be necessary or advisable to conform with the purposes of this agreement. Such expansion or contraction shall be effected in the following manner:

(a) Unit Operator, on its own motion or on demand of the Council or of the Superintendent or on demand of the Director of Geological Survey, hereinafter referred to as "Director" after preliminary concurrence by the Director, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, and the proposed effective date thereof, preferably the first day of the month subsequent to the date of notice.

(b) Said notice shall be delivered to the Council, the Superintendent and to the Supervisor, and copies thereof mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that 30 days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Council, the Superintendent and Supervisor evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator, together with an application in sufficient number, for approval of such expansion or contraction and with appropriate joinders.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval of the Council, the Supervisor and the Commissioner and the Council become effective as of the date prescribed in the notice thereof.

(e) All legal subdivisions of land (i.e., 40 acres by Government survey or its nearest lot or tract equivalent; in instances of irregular surveys unusually large lots or tracts shall be considered in multiples of 40 acres or the nearest aliquot equivalent thereof), no parts of which are entitled to be in a participating area on or before the fifth anniversary of the effective date of the first initial participating area established under this unit agreement, shall be eliminated automatically from this agreement, effective as of said fifth anniversary, and such lands shall no longer be a part of the unit area and shall no longer be subject to this agreement, unless diligent drilling operations are in progress on unitized lands not entitled to participation on said fifth anniversary, in which event all such lands shall remain subject hereto for so long as such drilling operations are continued diligently, with not more than 90 days' time elapsing between the completion of one such well and the commencement of the next such well. All legal subdivisions of lands not entitled to be in a participating area within 10 years after the effective date of the first initial participating area approved under this agreement shall be automatically eliminated from this agreement as of tenth anniversary. All lands proved productive by diligent drilling operations after the aforesaid five-year period shall become participating in the same manner as during said five-year period. However, when such diligent drilling operations cease, all non-participating lands

shall be automatically eliminated effective as of the 91st day thereafter. The unit operator shall within 90 days after the effective date of any elimination hereunder, describe the area so eliminated to the satisfaction of the Council and the Superintendent and the Supervisor and promptly notify all parties interested.

If conditions warrant extension of the 10-year period specified in the subsection 2(e), a single extension of not to exceed 2 years may be accomplished by consent of the owners of 90% of the working interests in the current non-participating unitized lands and the owners of 60% of the basic royalty interests (exclusive of the basic royalty interests of the United States) in nonparticipating unitized lands with approval of the Director, provided such extension application is submitted to the Director not later than 60 days prior to the expiration of said 10-year period.

Any expansion of the Unit Area pursuant to this section which embraces lands theretofore eliminated pursuant to this subsection 2(e) shall not be considered automatic commitment or recommitment of such lands.

3. UNITIZED LAND AND UNITIZED SUBSTANCES. All land committed to this agreement shall constitute land referred to herein as "unitized land" or "land subject to this agreement." All oil and gas in any and all formations of the unitized land are unitized under the terms of this agreement and herein are called "unitized substances."

4. UNIT OPERATOR. Estate of William G. Helis, A partnership is hereby designated as Unit Operator and by signature hereto as Unit Operator agrees and consents to accept the duties and obligations of Unit Operator for the discovery, development, and production of unitized substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such an interest is owned by it.

5. RESIGNATION OR REMOVAL OF UNIT OPERATOR. Unit Operator shall have the right to resign at any time prior to the establishment of a participating area or areas hereunder, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of 6 months after notice of intention to resign has been served by Unit Operator on all working interest owners, the Council and the Commissioner and the Supervisor and the Superintendent until all wells then drilled hereunder are placed in a satisfactory condition for suspension or abandonment whichever is required by the Supervisor, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

Unit Operator shall have the right to resign in like manner and subject to like limitations as above provided at any time a participating area established hereunder is in existence, but, in all instances of resignation or removal, until a successor unit operator is selected and approved as hereinafter provided, the working interest owners shall be jointly responsible for performance of the duties of unit operator, and shall not later than 30 days before such resignation or removal becomes effective appoint a common agent to represent them in any action to be taken hereunder.

The resignation of Unit Operator shall not release Unit Operator from any liability for any default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interests as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Council and the Commissioner and the Superintendent and the Supervisor.

The resignation or removal of Unit Operator under this agreement shall not terminate its right, title, or interest as the owner of a working interest or other interest in unitized substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all wells, equipment, materials, and appurtenances used in conducting the unit operations to the new duly qualified successor Unit Operator or to the common

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
CLARK CREEK UNIT AREA
COUNTY OF MCKENZIE
STATE OF NORTH DAKOTA
No. _____

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agent, if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances need for the preservation of any wells.

6. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender his or its resignation as Unit Operator or shall be removed as hereinabove provided, or a change of Unit Operator is negotiated by working interest owners, the owners of the working interests in the participating area or areas according to their respective acreage interests in such participating area or areas, or, until a participating area shall have been established, the owners of the working interests according to their respective acreage interests in all unitized land, shall by majority vote select a successor Unit Operator: Provided, that, if a majority but less than 75 percent of the working interests qualified to vote are owned by one party to this agreement, a concurring vote of one or more additional working interest owners shall be required to select a new operator. Such selection shall not become effective until:

(a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and

(b) the selection shall have been approved by the Supervisor.

If no successor Unit Operator is selected and qualified as herein provided, the Director at his election may declare this unit agreement terminated.

7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT. If the Unit Operator is not the sole owner of working interests, costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid and apportioned among and borne by the owners of working interests, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the owners of working interests, whether one or more, separately or collectively. Any agreement or agreements entered into between the working interest owners and the Unit Operator as provided in this section, whether one or more, are herein referred to as the "unit operating agreement." Such unit operating agreement shall also provide the manner in which the working interest owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts, and such other rights and obligations as between Unit Operator and the working interest owners; however, no such unit operating agreement shall be deemed either to modify any of the terms and conditions of this unit agreement or to relieve the Unit Operator of any right or obligation established under this unit agreement or to relieve the Unit Operator of any right or obligation established under this unit agreement, and in case of inconsistency or conflict between this unit agreement and the unit operating agreement, this unit agreement shall govern. Three true copies of any unit operating agreement executed pursuant to this section should be filed with the Supervisor prior to approval of this unit agreement.

8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR. Except as otherwise specifically provided herein, the exclusive right, privilege, and duty of exercising any and all rights of the parties hereto which are necessary or convenient for prospecting for, producing, storing, allocating, and distributing the unitized substances are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said Unit Operator and, together with this agreement, shall constitute and define the rights, privileges, and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purpose herein specified.

9. DRILLING TO DISCOVERY. Within 6 months after the effective date hereof, the Unit Operator shall begin to drill an adequate test well at a location approved by the Supervisor, unless on such effective date a well is being drilled conformably with the terms hereof, and thereafter continue such drilling diligently until the upper 100 feet of the Three Forks (Sanish)

formation has been tested or until at a lesser depth unitized substances shall be discovered which can be produced in paying quantities (to-wit: quantities sufficient to repay the costs of drilling, completing, and producing operations,

with a reasonable profit) or the Unit Operator shall at any time establish to the satisfaction of the Supervisor that further drilling of said well would be unwarranted or impracticable, provided, however, that Unit Operator shall not in any event be required to drill said well to a depth in excess of 12,500 feet. Until the discovery of a deposit of unitized substances capable of being produced in paying quantities, the Unit Operator shall continue drilling one well at a time, allowing not more than 6 months between the completion of one well and the beginning of the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of said Supervisor or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formation drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in Section 5, hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section. The Council, Superintendent and the Supervisor may modify the drilling requirements of this section by granting reasonable extensions of time when, in his opinion, such action is warranted.

Upon failure to commence any well provided for in this section within the time allowed, including any extension of time granted by the Supervisor, this agreement will automatically terminate; upon failure to continue drilling diligently any well commenced hereunder, the Supervisor may, after 15 days notice to the Unit Operator, declare this unit agreement terminated.

10. PLAN OF FURTHER DEVELOPMENT AND OPERATION. Within 6 months after completion of a well capable of producing unitized substances in paying quantities, the Unit Operator shall submit for the approval of the Council, Superintendent, and the Supervisor an acceptable plan of development and operation for the unitized land which, when approved by the Council, Superintendent and Supervisor, shall constitute the further drilling and operating obligations of the Unit Operator under this agreement for the period specified therein. Thereafter, from time to time before the expiration of any existing plan, the Unit Operator shall submit for the approval of the Council, Superintendent and the Supervisor a plan for an additional specified period for the development and operation of the unitized land.

Any plan submitted pursuant to this section shall provide for the exploration of the unitized area and for the diligent drilling necessary for determination of the area or areas thereof capable of producing unitized substances in paying quantities in each and every productive formation and shall be as complete and adequate as the Council, Superintendent and the Supervisor may determine to be necessary for timely development and proper conservation of the oil and gas resources of the unitized area and shall:

- (a) specify the number and locations of any wells to be drilled and the proposed order and time for such drilling; and
- (b) to the extent practicable specify the operating practices regarded as necessary and advisable for proper conservation of natural resources.

Separate plans may be submitted for separate productive zones, subject to the approval of the Council, Superintendent and the Supervisor.

Plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of development. The Council, Superintendent and the Supervisor is authorized to grant a reasonable extension of the 6-month period herein prescribed for submission of an initial plan of development where such action is justified because of unusual conditions or circumstances. After completion hereunder of a well capable of producing any unitized substances in paying quantities, no further wells, except such as may be necessary to afford protection against operations not under this agreement and such as may be specifically approved by the Council, Superintendent and the Supervisor, shall be drilled except in accordance with a plan of development approved as herein provided.

11. PARTICIPATION AFTER DISCOVERY. Upon completion of a well capable of producing unitized substances in paying quantities or as soon thereafter as required by the Council, Superintendent and the Supervisor, the Unit Operator shall Supervisor a schedule, based on subdivisions of the public-land survey or

aliquot parts thereof, of all land then regarded as reasonably proved to be productive in paying quantities; all lands in said schedule on approval of the Supervisor to constitute a participating area, effective as of the date of completion of such well or the effective date of this unit agreement, whichever is later. The acreages of both Federal and non-Federal lands shall be based upon appropriate computations from the courses and distances shown on the last approved public-land survey as of the effective date of each initial participating area. Said schedule shall also set forth the percentage of unitized substances to be allocated as herein provided to each tract in the participating area so established, and shall govern the allocation of production commencing with the effective date of the participating area. A separate participating area shall be established for each separate pool or deposit of unitized substances or for any group thereof which is produced as a single pool or zone, and any two or more participating areas so established may be combined into one, on approval of the Supervisor. When production from two or more participating areas, so established, is subsequently found to be from a common pool or deposit said participating areas shall be combined into one effective as of such appropriate date as may be approved or prescribed by the Supervisor. The participating area or areas so established shall be revised from time to time, subject to like approval, to include additional land then regarded as reasonably proved to be productive in paying quantities or necessary for unit operations, or to exclude land then regarded as reasonably proved not to be productive in paying quantities and the schedule of allocation percentages shall be revised accordingly. The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, provided, however, that a more appropriate effective date may be used if justified by the Unit Operator and approved by the Supervisor. No land shall be excluded from a participating area on account of depletion of the unitized substances, except that any participating area established under the provisions of this unit agreement shall terminate automatically whenever all completions in the formation on which the participating area is based are abandoned.

It is the intent of this section that a participating area shall represent the area known or reasonably estimated to be productive in paying quantities; but, regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the Supervisor as to the proper definition or redefinition of a participating area, or until a participating area has, or areas have, been established as provided herein, the portion of all payments affected thereby shall be impounded in a manner mutually acceptable to the owners of working interests and the Council, the Superintendent and the Supervisor. Royalties due to the United States shall be determined by the Supervisor and royalties due to the Indians shall be determined by the Council and the Superintendent and the amount shall be deposited, as directed by the Council, the Superintendent, and the Supervisor, to be held as unearned money until a participating area is finally approved and then applied as earned or returned in accordance with a determination of the sum due as Federal and/or Indian royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the Council, Superintendent, and the Supervisor a well drilled under this agreement is not capable of production in paying quantities and inclusion of the land on which it is situated in a participating area is unwarranted, production from such well shall, for the purposes of settlement among all parties other than working interest owners, be allocated to the land on which the well is located unless such land is already within the participating area established for the pool or deposit from which such production is obtained. Settlement for working interest benefits from such a well shall be made as provided in the unit operating agreement.

12. ALLOCATION OF PRODUCTION. All unitized substances produced from each participating area established under this agreement, except any part thereof used in conformity with good operating practices within the unitized area for drilling operating, camp, and other production or development purposes, for repressuring, or recycling in accordance with a plan of development approved by the Council and the Superintendent and the Supervisor, or unavoidably lost, shall be deemed to be produced equally on an acreage basis from the several tracts of unitized land of the participating area established for such production and, for the purpose of determining any benefits accruing under this agreement, each such

tract of unitized land shall have allocated to it such percentage of said production as the number of acres of such tract included in said participating area bears to the total acres of unitized land in said participating area, except that allocation of production hereunder for purposes other than for settlement of the royalty, overriding royalty, or payment out of production obligations of the respective working interest owners, shall be on the basis prescribed in the unit operating agreement whether in conformity with the basis of allocation herein set forth or otherwise. It is hereby agreed that production of unitized substances from a participating area shall be allocated as provided herein regardless of whether any wells are drilled on any particular part or tract of said participating area. If any gas produced from one participating area is used for repressuring or recycling purposes in another participating area, the first gas withdrawn from such last-mentioned participating area for sale during the life of this agreement shall be considered to be the gas so transferred until an amount equal to that transferred shall be so produced for sale and such gas shall be allocated to the participating area from which initially produced as such area was last defined at the time of such final production.

13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND OR FORMATIONS. Any party hereto owning or controlling the working interest in any unitized land having thereon a regular well location may with the approval of the Supervisor, at such party's sole risk, costs, and expense, drill a well to test any formation for which a participating area has not be established or to test any formation for which a participating area has been established if such location is not within said participating area, unless within 90 days of receipt of notice from said party of his intention to drill the well the Unit Operator elects and commences to drill such a well in like manner as other wells are drilled by the Unit Operator under this agreement.

If any well drilled as aforesaid by a working interest owner results in production such that the land upon which it is situated may properly be included in a participating area, such participating area shall be established or enlarged after the drilling costs and expenses are paid and be borne by the owners of the working interests, all in accordance with the agreements entered into between the Unit Operator and the owners of the working interests, and the well shall thereafter be operated by the Unit Operator in accordance with the terms of this agreement and the unit operating agreement.

If any well drilled as aforesaid by a working interest owner obtains production in quantities insufficient to justify the inclusion of the land upon which such well is situated in a participating area, such well may be operated and produced by the party drilling the same subject to the conservation requirements of this agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. ROYALTY SETTLEMENT. The United States and the Indians and any State and any royalty owner who, is entitled to take in kind a share of the substances now unitized hereunder shall hereafter be entitled to the right to take in kind its share of the unitized substances, and Unit Operator, or the working interest owner in case of the operation of a well by a working interest owner as herein provided for in special cases, shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws, and regulations. Settlement for royalty interest not taken in kind shall be made by working interest owners responsible therefor under existing contracts, laws, and regulations, or by the Unit Operator, on or before the last day of each month for unitized substances produced during the preceding calendar month; provided, however, that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any royalties due under their leases.

If gas obtained from lands not subject to this agreement is introduced into any participating area hereunder, for use in repressuring, stimulation of production, or increasing ultimate recovery in conformity with a plan of operations approved by the Supervisor, a like amount of gas, after settlement as herein provided for any gas transferred from any other participating area and with appropriate deduction for loss from any cause, may be withdrawn from the formation into which the gas is introduced, royalty free as to dry gas, but not as to any products which may be extracted therefrom; provided that such withdrawal shall be at such time as may be provided in the approved plan of operations or as may

otherwise be consented to by the Supervisor as conforming to good petroleum engineering practice; and provided further, that such right of withdrawal shall terminate on the termination of this unit agreement.

Royalty due the United States and the Indians shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized Federal and Indian land as provided herein at the rates specified in the respective Federal leases, or at such lower rate or rates as may be or rates authorized by law or regulation, and to unitized Indian land at rates specified in the respective Indian leases, in conformity with the underlying operating agreements, leases, or other independent contracts that for leases on which royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though each participating area were a single consolidated lease.

15. RENTAL SETTLEMENT. Rental or minimum royalties due on leases committed hereto shall be paid by working interest owners responsible therefor under existing contracts, laws, and regulations, provided that nothing herein contained shall operate to relieve the leases of any land from their respective lease obligations for the payment of any rental or minimum royalty due under their leases. Rental or minimum royalty for lands of the United States and the Indians subject to this agreement shall be paid at the rate specified in the respective leases from the United States and the Indians unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

With respect to any lease on non-Federal and non-Indian land containing provisions which would terminate such lease unless drilling operations are commenced upon the land covered thereby within the time therein specified or rentals are paid for the privilege of deferring such drilling operations, the rentals required thereby shall, notwithstanding any other provision of this agreement, be deemed to accrue and become payable during the term thereof as extended by this agreement and until the required drilling operations are commenced upon the land covered thereby or until some portion of such land is included within a participating area.

16. CONSERVATION. Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to State or Federal law or regulation.

17. DRAINAGE. The Unit Operator shall take such measures as the Supervisor deems appropriate and adequate to prevent drainage of unitized substances from unitized land by wells on land not subject to this agreement.

18. LEASES AND CONTRACTS CONFORMED AND EXTENDED. The terms, conditions, and provisions of all leases, subleases, and other contracts relating to exploration, drilling, development, or operation for oil or gas on lands committed to this agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect; and the parties hereto hereby consent that the Council and the Secretary shall and by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change, or revoke the drilling, producing, rental, minimum royalty, and royalty requirements of Federal and Indian leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this agreement and, without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

(a) The development and operation of lands subject to this agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every separately owned tract subject to this agreement, regardless of whether there is any development of any particular tract of the unit area.

(b) Drilling and producing operations performed hereunder upon any tract of unitized lands will be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

(c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent of the Secretary or his duly authorized representative shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of unitized land. A suspension of drilling or producing operations limited to specified lands shall be applicable only to such lands.

(d) Each lease, sublease or contract relating to the exploration, drilling, development or operation for oil or gas of lands other than those of the United States and the Indians committed to this agreement, which, by its terms might expire prior to the termination of this agreement, is hereby extended beyond any such terms so provided therein so that it shall be continued in full force and effect for and during the term of this contract.

(e) Any Federal lease for a fixed term of twenty (20) years or any renewal thereof or any part of such lease which is made subject to this agreement shall continue in force beyond the term provided therein until the termination hereof. Any other Federal or Indian lease committed hereto shall continue in force beyond the term so provided therein or by law as to the land committed so long as such lease remains subject hereto, provided that production is had in paying quantities under this unit agreement prior to the expiration date of the terms of such lease, or in the event actual drilling operations are commenced on unitized land, in accordance with the provisions of this agreement, prior to the end of the primary term of such lease and are being diligently prosecuted at that time, such lease shall be extended for two years and so long thereafter as oil or gas is produced in paying quantities in accordance with the provisions of the Mineral Leasing Act Revision of 1960 and aforementioned acts herein governing the Leasing of Indian Lands.

(f) Each sublease or contract relating to the operation and development of unitized substances from lands of the United States and the Indians committed to this agreement, which by its terms would expire prior to the time at which the underlying lease, as extended by the immediately preceding paragraph, will expire, is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of the underlying lease as such term is herein extended.

(g) The segregation of any Federal lease committed to this agreement is governed by the following provision in the fourth paragraph of Sec. 17 (j) of the Mineral Leasing Act, as amended by the Act of September 2, 1960, (74 Stat. 781-784): "Any (Federal) lease heretofore or hereafter committed to any such (unit) plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: Provided, however, that any such lease as to the non-unitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil and gas is produced in paying quantities."

(h) Any lease, other than a Federal lease and including leases on Indian lands having only a portion of its lands committed hereto shall be segregated as to the portion committed and the portion not committed, and the provisions of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. In the event any such lease provides for a lump-sum rental payment, such payment shall be prorated between the portion so segregated in proportion to the acreage of the respective tracts.

19. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be covenants running with the land with respect to the interest of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance, of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any working interest, royalty, or other interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, photostatic, or certified copy of the instrument of transfer.

20. EFFECTIVE DATE AND TERM. This agreement shall become effective upon approval by the Secretary or his duly authorized representative and shall terminate five (5) years from said effective date unless:

(a) such date of expiration is extended by the Council and the Superintendent and the Director, or

(b) it is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substances in paying quantities in the formations tested hereunder and after notice of intention to terminate the agreement on such ground is given by the Unit Operator to all parties in interest at their last known addresses, the agreement is terminated with approval of the Council and the Superintendent and the Supervisor, or

(c) a valuable discovery of unitized substances has been made or accepted on unitized land during said initial term or any extension thereof, in which event the agreement shall remain in effect for such term and so long as unitized substances can be produced in quantities sufficient to pay for the cost of producing same from wells on unitized land within any participating area established hereunder and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as unitized substances so discovered can be produced as aforesaid, or

(d) it is terminated as heretofore provided in this agreement. This agreement may be terminated at any time by not less than 75 per centum, on an acreage basis, of the working interest owners signatory hereto, with the approval of the Council, Superintendent, and the Supervisor; notice of any such Operator approval to be given by the Unit Operator to all parties hereto.

21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. The Director and Superintendent are hereby vested with authority to alter or modify from time to time in his discretion the quantity and rate of production under this agreement when such quantity and rate is not fixed pursuant to Federal or State law or does not conform to any state-wide voluntary conservation or allocation program which is established, recognized, and generally adhered to by the majority of operators in such State, such authority being hereby limited to alternation or modification in the public interest, the purpose hereof and the public interest to be served thereby to be stated in the order of alteration or modification. Without regard to the foregoing, the Director and Superintendent are also hereby vested with authority to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is now in violation of any applicable Federal or State law.

Powers in this section vested in the Director and Superintendent shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

22. APPEARANCES. Unit Operator shall, after notice to toher parties affected, have the right to appear for and on behalf of any and all interests affected hereby before the Department of the Interior and to appeal from orders issued under the regulations of said Department or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior or any other legal constituted authority; provided, however, that any other interested party shall also have the right at his own expense to be heard in any such proceeding.

23. NOTICES. All notices, demands or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if given in writing and personally delivered to the party or sent by postpaid registered or certified mail, addressed to such other address as any such party may have furnished in writing to party sending the notice, demand or statement.

24. NO WAIVER OF CERTAIN RIGHTS. Nothing in this agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the State wherein said unitized lands are located, or of the United States, or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

25. UNAVOIDABLE DELAY. All obligations under this agreement requiring the Unit Operator to commence or continue drilling or to operate on or produce unitized substances from any of the lands covered by this agreement shall be

suspended while the Unit Operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State, or municipal law or agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not. No unit obligation which is suspended under this section shall become due less than thirty (30) days after it has been determined that the suspension is no longer applicable. Determination of creditable "Unavoidable Delay" time shall be made by the unit operator subject to the approval of the Council and the Superintendent and the Supervisor.

26. NONDISCRIMINATION. In connection with the performance of work under this agreement, the Operator agrees to comply with all the provisions of Section 202 (1) to (7) inclusive of Executive Order 11246 (30 F. R. 12319), as amended, which hereby incorporated by reference in this agreement. However, the Unit Operator shall comply with the terms and conditions of the Indian leases while engaged in operations hereunder with respect to the employment of available, qualified Indian labor.

27. LOSS OF TITLE. In the event title to any tract of unitized land shall fail and the true owner cannot be induced to join in this unit agreement, such tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to title as to any royalty, working interest, or other interests subject thereto, payment or delivery on account thereof may be withheld without liability for interest until the dispute is finally settled; provided, that, as to Federal and Indian Land or leases, no payment of funds due the United States or the Indians should be withheld, but such funds shall be deposited as directed by the Council and the Superintendent and the Supervisor to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement. Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

28. NON-JOINDER AND SUBSEQUENT JOINDER. If the owner of any substantial interest in a tract within the unit area fails or refuses to subscribe or consent to this agreement, the owner of the working interest in that tract may withdraw said tract from this agreement by written notice delivered to the Council and the Superintendent and the Supervisor and the Unit Operator prior to the approval of this agreement by the Council and the Superintendent and the Supervisor. Any oil or gas interests in lands within the unit area not committed hereto prior to submission of this agreement for final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this agreement, and, if the interest is a working interest, by the owner of such interest also subscribing to the unit operating agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approvals, if any, pertaining to such joinder, as may be provided for in the unit operating agreement. After final approval hereof, joinder by a non-working interest owner must be consented to in writing by the working interest owner committed hereto and responsible for the payment of any benefits that may accrue hereunder in behalf of such non-working interest. A non-working interest may not be committed to this unit agreement unless the corresponding working interest is committed hereto. Joinder to the unit agreement by a working interest owner, at any time, must be accompanied by appropriate joinder to the unit operating agreement, if more than one committed working interest owner is involved, in order for the interest to be regarded as committed to this unit agreement. Except as may otherwise herein be provided, subsequent joinders to this agreement shall be effective as of the first day of the month following the filing with the Supervisor of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this agreement unless objection to such joinder is duly made within 60 days by the Council, Superintendent, or Supervisor.

29. COUNTERPARTS. This agreement may be executed in any number of counterparts so one of which needs to be executed by all parties or may be ratified or consented to by separate instrument in writing specifically referring hereto and shall be binding upon all those parties who have executed such a counterpart, ratification, or consenting hereto with the same force and effect as if all such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above-described unit area.

30. SPECIAL SURFACE STIPULATIONS. Nothing in this agreement shall modify the special Federal lease stipulations applicable to lands under the jurisdiction of the Bureau of Land Management or the Bureau of Indian Affairs.

31. INDIAN EMPLOYMENT: The Unit Operator shall comply with the terms and conditions of the leases on Indian lands with respect to the employment of available Indian labor while engaged in operations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed and have set opposite their respective names the date of execution.

UNIT OPERATOR AND WORKING INTEREST OWNER

ESTATE OF WILLIAM G. HELIS,
A PARTNERSHIP

By _____
Morris Wright for
William G. Helis, Jr.
Managing Partner

Address: 912 Whitney Bldg.
New Orleans, LA 70130

Date of Execution:

STATE OF _____)
PARISH OF _____) ss.

On this _____ day of _____, 1980, before me personally appeared MORRIS WRIGHT, duly authorized to act for William G. Helis, Jr., Managing Partner of the Estate of William G. Helis, A Partnership, who acknowledged that he executed the above and foregoing instrument as his free act and deed in said capacity.

WITNESS my official signature and seal at New Orleans, Louisiana, on the date hereinabove written.

Notary Public in and for the Parish of
Orleans, State of Louisiana.

My commission is for life.

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
CLARK CREEK UNIT AREA
COUNTY OF MCKENZIE
STATE OF NORTH DAKOTA

Old Agreement

Not. _____

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UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

CLARK CREEK UNIT AREA

COUNTY OF MCKENZIE

STATE OF NORTH DAKOTA

No. _____

THIS AGREEMENT, entered into as of the _____ day of _____, 1980, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto".

WITNESSETH:

WHEREAS the parties hereto are the owners of working, royalty or other oil gas interests in the unit area subject to this agreement; and

WHEREAS the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sec. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field, or like area, or any part thereof for the purposes of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS the rules and regulations governing the leasing of Tribal Indian lands for oil and gas promulgated by the Secretary of the Interior (25 CFR Part 171) under and pursuant to the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U.S.C. § 396 et seq., and the oil and gas leases covering said Tribal Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS the rules and regulations governing the leasing of Allotted Indian lands for oil and gas promulgated by the Secretary of the Interior (25 CFR Part 172) under and pursuant to the Act of March 3, 1909, ch. 263, 35 Stat. 783, as amended, 25 U.S.C. § 396, and the oil and gas leases covering Allotted Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS the parties hereto hold sufficient interests in the Clark Creek Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS it is the purpose of the parties hereto conserve natural resources, prevent waste, and secure other benefits obtainable through development and operation of the area subject to this agreement under the terms, conditions, and limitations herein set forth;

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in below-defined unit area, and agree severally among themselves as follows:

1. ENABLING ACT AND REGULATIONS. The Mineral Leasing Act of February 25, 1920, as amended, supra, Tribal Land Mineral Leasing Act, supra, and the Act of March 3, 1909, supra, and all valid pertinent regulations, including operation and unit plan regulations, heretofore issued thereunder or valid, pertinent and

1 reasonable regulations hereafter issued thereunder are accepted and made a part of 1
2 this agreement as to Federal and Indian lands, provided such regulations are not 2
3 inconsistent with the terms of this agreement; and as to non-Federal and non-Indian 3
4 lands, the oil and gas operating regulations in effect as of the effective date 4
5 hereof governing drilling and producing operations, not inconsistent with the terms 5
6 hereof or the laws of the State in which the non-Federal and non-Indian land is 6
7 located, are hereby accepted and made a part of this agreement. 7
8

9 2. UNIT AREA. The area specified on the map attached hereto marked Exhibit 9
10 "A" is hereby designated and recognized as constituting the unit area, containing 10
11 3,949.33 acres, more or less. 11
12

13 Exhibit "A" shows, in addition to the boundary of the unit area, the bound- 13
14 aries and identity of tracts and leases in said area to the extent known to the 14
15 Unit Operator. Exhibit "B" attached hereto is a schedule showing to the extent 15
16 known to the Unit Operator the acreage, percentage and kind of ownership of oil 16
17 and gas interests in all land in the unit area. However, nothing herein or in 17
18 said schedule or map shall be construed as a representation by any party hereto as 18
19 to the ownership of any interest other than such interest or interests as are 19
20 shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall 20
21 be revised by the Unit Operator whenever changes in the unit area render such 21
22 revision necessary, or when requested by the Oil and Gas Supervisor, hereinafter 22
23 referred to as "Supervisor", or by the Commissioner of the Bureau of Indian Affairs 23
24 or his duly authorized representative, herein after referred to as "Commissioner" 24
25 and not less than five copies of the revised Exhibits shall be filed with the 25
26 Supervisor. 26
27

28 The above-described unit area shall when practicable be expanded to include 28
29 therein any additional lands or shall be contracted to exclude lands whenever such 29
30 expansion or contraction is deemed to be necessary or advisable to conform with 30
31 the purposes of this agreement. Such expansion or contraction shall be effected 31
32 in the following manner: 32
33

34 (a) Unit Operator, on its own motion or on demand of the Director of the 34
35 Geological Survey, hereinafter referred to as "Director" after preliminary con- 35
36 currence by the Director, shall prepare a notice of proposed expansion or con- 36
37 traction describing the contemplated changes in the boundaries of the unit area, 37
38 the reasons therefor, and the proposed effective date thereof, preferably the 38
39 first day of a month subsequent to the date of notice. 39
40

41 (b) Said notice shall be delivered to the Supervisor, and copies thereof 41
42 mailed to the last known address of each working interest owner, lessee, and 42
43 lessor whose interests are affected, advising that 30 days will be allowed for 43
44 submission to the Unit Operator of any objections. 44
45

46 (c) Upon expiration of the 30-day period provided in the preceding item (b) 46
47 hereof, Unit Operator shall file with the Supervisor evidence of mailing of the 47
48 notice of expansion or contraction and a copy of any objections thereto which have 48
49 been filed with the Unit Operator, together with an application in sufficient 49
50 number, for approval of such expansion or contraction and with appropriate joinders. 50
51

52 (d) After due consideration of all pertinent information, the expansion or 52
53 contraction shall, upon approval of the Supervisor and of the Commissioner become 53
54 effective as of the date prescribed in the notice thereof. 54
55

56 (e) All legal subdivisions of land (i.e., 40 acres by Government survey or 56
57 its nearest lot or tract equivalent; in instances of irregular surveys unusually 57
58 large lots or tracts shall be considered in multiples of 40 acres or the nearest 58
59 aliquot equivalent thereof), no parts of which are entitled to be in a partici- 59
60 pating area on or before the fifth anniversary of the effective date of the first 60
61 initial participating area established under this unit agreement, shall be elimi- 61
62 nated automatically from this agreement, effective as of said fifth anniversary, 62
63 and such lands shall no longer be a part of the unit area and shall no longer be 63
64 subject to this agreement, unless diligent drilling operations are in progress on 64
65 unleased lands not entitled to participation on said fifth anniversary, in which 65
66 event all such lands shall remain subject hereto for so long as such drilling 66
67 operations are continued diligently, with not more than 90 days' time elapsing 67
68 between the completion of one such well and the commencement of the next such well. 68
69 All legal subdivisions of lands not entitled to be in a participating area within 69
70 10 years after the effective date of the first initial participating area approved 70
71 under this agreement shall be automatically eliminated from this agreement as of 71
72 tenth anniversary. All lands proved productive by diligent drilling operations. 72

1 after the aforesaid five-year period shall become participating in the same manner 1
2 as during said five-year period. However, when such diligent drilling operations 2
3 cease, all non-participating lands shall be automatically eliminated effective as 3
4 of the 91st day thereafter. The unit operator shall within 90 days after the 4
5 effective date of any elimination hereunder, describe the area so eliminated to 5
6 the satisfaction of the Supervisor and promptly notify all parties in interest. 6
7

8 If conditions warrant extension of the 10-year period specified in this sub- 8
9 section 2(e), a single extension of not to exceed 2 years may be accomplished by 9
10 consent of the owners of 90% of the working interests in the current non-partici- 10
11 pating unitized lands and the owners of 60% of the basic royalty interests (exclu- 11
12 sive of the basic royalty interests of the United States) in nonparticipating 12
13 unitized lands with approval of the Director, provided such extension application 13
14 is submitted to the Director not later than 60 days prior to the expiration of 14
15 said 10-year period. 15
16

17 Any expansion of the Unit Area pursuant to this section which embraces lands 17
18 theretofore eliminated pursuant to this subsection 2(e) shall not be considered 18
19 automatic commitment or recommitment of such lands. 19
20

21 3. UNITIZED LAND AND UNITIZED SUBSTANCES. All land committed to this agree- 21
22 ment shall constitute land referred to herein as "unitized land" or "land subject 22
23 to this agreement." All oil and gas in any and all formations of the unitized 23
24 land are unitized under the terms of this agreement and herein are called "uni- 24
25 tized substances." 25
26

27 4. UNIT OPERATOR. Estate of William G. Helis, A Partnership is 27
28 hereby designated as Unit Operator and by signature hereto as Unit Operator agrees 28
29 and consents to accept the duties and obligations of Unit Operator for the dis- 29
30 covery, development, and production of unitized substances as herein provided. 30
31 Whenever reference is made herein to the Unit Operator, such reference means the 31
32 Unit Operator acting in that capacity and not as an owner of interest in unitized 32
33 substances, and the term "working interest owner" when used herein shall include 33
34 or refer to Unit Operator as the owner of a working interest when such an interest 34
35 is owned by it. 35
36

37 5. RESIGNATION OR REMOVAL OF UNIT OPERATOR. Unit Operator shall have the 37
38 right to resign at any time prior to the establishment of a participating area or 38
39 areas hereunder, but such resignation shall not become effective so as to release 39
40 Unit Operator from the duties and obligations of Unit Operator and terminate Unit 40
41 Operator's rights as such for a period of 6 months after notice of intention to 41
42 resign has been served by Unit Operator on all working interest owners, the Super- 42
43 visor and the Commissioner and until all wells then drilled hereunder are placed 43
44 in a satisfactory condition for suspension or abandonment whichever is required by 44
45 the Supervisor, unless a new Unit Operator shall have been selected and approved 45
46 and shall have taken over and assumed the duties and obligations of Unit Operator 46
47 prior to the expiration of said period. 47
48

49 Unit Operator shall have the right to resign in like manner and subject to 49
50 like limitations as above provided at any time a participating area established 50
51 hereunder is in existence, but, in all instances of resignation or removal, until 51
52 a successor unit operator is selected and approved as hereinafter provided, the 52
53 working interest owners shall be jointly responsible for performance of the duties 53
54 of unit operator, and shall not later than 90 days before such resignation or re- 54
55 moval becomes effective appoint a common agent to represent them in any action to 55
56 be taken hereunder. 56
57

58 The resignation of Unit Operator shall not release Unit Operator from any lia- 58
59 bility for any default by it hereunder occurring prior to the effective date of its 59
60 resignation. 60
61

62 The Unit Operator may, upon default or failure in the performance of its 62
63 duties or obligations hereunder, be subject to removal by the same percentage vote 63
64 vote of the owners of working interests as herein provided for the selection of a 64
65 new unit operator. Such removal shall be effective upon notice thereof to the 65
66 Supervisor and the Commissioner. 66
67

68 The resignation or removal of Unit Operator under this agreement shall not 68
69 terminate its right, title, or interest in the owner of a working interest or other 69
70 interest in unitized substances, but upon the resignation or removal of this Oper- 70
71 ator hereunder effective, such Unit Operator shall deliver possession of all wells, 71
72 equipment, materials, and apparatus used in conducting the unit operations to 72

1 the new duly qualified successor Unit Operator or to the common agent, if no such
2 new Unit Operator is elected, to be used for the purpose of conducting unit opera-
3 tions hereunder. Nothing herein shall be construed as authorizing removal of any
4 material, equipment and appurtenances used for the preservation of any wells.
5

6 6. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender his or
7 its resignation as Unit Operator or shall be removed as hereinabove provided, or a
8 change of Unit Operator is negotiated by working interest owners, the owners of
9 the working interests in the participating area or areas according to their respec-
10 tive acreage interests in such participating area or areas, or, until a partici-
11 pating area shall have been established, the owners of the working interests
12 according to their respective acreage interests in all unitized land, shall by
13 majority vote select a successor Unit Operator: Provided, that, if a majority but
14 less than 75 percent of the working interests qualified to vote are owned by one
15 party to this agreement, a concurring vote of one or more additional working inter-
16 est owners shall be required to select a new operator. Such selection shall not
17 become effective until:
18

19 (a) a Unit Operator so selected shall accept in writing the duties and re-
20 sponsibilities of Unit Operator, and
21

22 (b) the selection shall have been approved by the Supervisor.
23

24 If no successor Unit Operator is selected and qualified as herein provided,
25 the Director at his election may declare this unit agreement terminated.
26

27 7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT. If the Unit Operator
28 is not the sole owner of working interests, costs and expenses incurred by Unit
29 Operator in conducting unit operations hereunder shall be paid and apportioned
30 among and borne by the owners of working interests, all in accordance with the
31 agreement or agreements entered into by and between the Unit Operator and the
32 owners of working interests, whether one or more, separately or collectively. Any
33 agreement or agreements entered into between the working interest owners and the
34 Unit Operator as provided in this section, whether one or more, are herein referred
35 to as the "unit operating agreement." Such unit operating agreement shall also
36 provide the manner in which the working interest owners shall be entitled to receive
37 their respective proportionate and allocated share of the benefits accruing hereto
38 in conformity with their underlying operating agreements, leases, or other inde-
39 pendent contracts, and such other rights and obligations as between Unit Operator
40 and the working interest owners; however, no such unit operating agreement shall be
41 deemed either to modify any of the terms and conditions of this unit agreement or
42 to relieve the Unit Operator of any right or obligation established under this
43 unit agreement or to relieve the Unit Operator of any right or obligation estab-
44 lished under this unit agreement, and in case of inconsistency or conflict between
45 this unit agreement and the unit operating agreement, this unit agreement shall
46 govern. Three true copies of any unit operating agreement executed pursuant to
47 this section should be filed with the Supervisor prior to approval of this unit
48 agreement.
49

50 8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR. Except as otherwise specif-
51 ically provided herein, the exclusive right, privilege, and duty of exercising
52 any and all rights of the parties hereto which are necessary or convenient for
53 prospecting for, producing, storing, allocating, and distributing the unitized
54 substances are hereby delegated to and shall be exercised by the Unit Operator as
55 herein provided. Acceptable evidence of title to said rights shall be deposited
56 with said Unit Operator and, together with this agreement, shall constitute and
57 define the rights, privileges, and obligations of Unit Operator. Nothing herein,
58 however, shall be construed to transfer title to any land or to any lease or oper-
59 ating agreement, it being understood that under this agreement the Unit Operator,
60 in its capacity as Unit Operator, shall exercise the rights of possession and con-
61 veyed in the parties hereto only for the purpose herein specified.
62

63 9. PLEDGING TO DISCOVERY. Within 6 months after the effective date hereof,
64 the Unit Operator shall begin to drill and complete each well as a location ap-
65 proved by the Supervisor, unless on such effective date a well is being drilled
66 conformably with the terms hereof, and thereafter continue such drilling diligently
67 until the well has been completed or until a further 6-month period shall have
68

69 expiration and been tested or until a further 6-month period shall have
70 expired which can be proved in paying quantities (to wit, quantities suffi-
71 cient to repay the costs of drilling, completing, and producing operations with
72 a reasonable profit) or the Unit Operator shall at all times be obligated to the

1 satisfaction of the Supervisor that further drilling of said well would be un- 1
2 warranted or impracticable, provided, however, that Unit Operator shall not in 2
3 any event be required to drill said well to a depth in excess of 11,000 3
4 feet. Until the discovery of a deposit of unitized substances capable of being 4
5 produced in paying quantities, the Unit Operator shall continue drilling one well 5
6 at a time, allowing not more than 6 months between the completion of one well and 6
7 the beginning of the next well, until a well capable of producing unitized sub- 7
8 stances in paying quantities is completed to the satisfaction of said Supervisor 8
9 or until it is reasonably proved that the unitized land is incapable of producing 9
10 unitized substances in paying quantities in the formation drilled hereunder. 10
11 Nothing in this section shall be deemed to limit the right of the Unit Operator to 11
12 resign as provided in Section 5, hereof, or as requiring Unit Operator to commence 12
13 or continue any drilling during the period pending such resignation becoming 13
14 effective in order to comply with the requirements of this section. The Super- 14
15 visor may modify the drilling requirements of this section by granting reasonable 15
16 extensions of time when, in his opinion, such action is warranted. 16
17

18 Upon failure to commence any well provided for in this section within the 18
19 time allowed, including any extension of time granted by the Supervisor, this 19
20 agreement will automatically terminate; upon failure to continue drilling dili- 20
21 gently any well commenced hereunder, the Supervisor may, after 15 days notice to 21
22 the Unit Operator, declare this unit agreement terminated. 22
23

24 10. PLAN OF FURTHER DEVELOPMENT AND OPERATION. Within 6 months after com- 24
25 pletion of a well capable of producing unitized substances in paying quantities, 25
26 the Unit Operator shall submit for the approval of the Supervisor an acceptable 26
27 plan of development and operation for the unitized land which, when approved by the 27
28 Supervisor, shall constitute the further drilling and operating obligations of the 28
29 Unit Operator under this agreement for the period specified therein. Thereafter, 29
30 from time to time before the expiration of any existing plan, the Unit Operator 30
31 shall submit for the approval of the Supervisor a plan for an additional specified 31
32 period for the development and operation of the unitized land. 32
33

34 Any plan submitted pursuant to this section shall provide for the exploration 34
35 of the unitized area and for the diligent drilling necessary for determination of 35
36 the area or areas thereof capable of producing unitized substances in paying 36
37 quantities in each and every productive formation and shall be as complete and 37
38 adequate as the Supervisor may determine to be necessary for timely development and 38
39 proper conservation of the oil and gas resources of the unitized area and shall: 39
40

41 (a) specify the number and locations of any wells to be drilled and the 41
42 proposed order and time for such drilling; and 42
43

44 (b) to the extent practicable specify the operating practices regarded as 44
45 necessary and advisable for proper conservation of natural resources. 45
46

47 Separate plans may be submitted for separate productive zones, subject to the 47
48 approval of the Supervisor. 48
49

50 Plans shall be modified or supplemented when necessary to meet changed 50
51 conditions or to protect the interests of all parties to this agreement. Reason- 51
52 able diligence shall be exercised in complying with the obligations of the 52
53 approved plan of development. The Supervisor is authorized to grant a reasonable 53
54 extension of the 6-month period herein prescribed for submission of an initial 54
55 plan of development where such action is justified because of unusual conditions 55
56 or circumstances. After completion hereunder of a well capable of producing any 56
57 unitized substances in paying quantities, no further wells, except such as may be 57
58 necessary to afford protection against operations not under this agreement and 58
59 such as may be specifically approved by the Supervisor, shall be drilled except 59
60 in accordance with a plan of development approved as herein provided. 60
61

62 11. PARTICIPATION AFTER DISCOVERY. Upon completion of a well capable of 62
63 producing unitized substances in paying quantities or on upon thereafter as 63
64 required by the Supervisor, the Unit Operator shall submit for approval by the 64

1 Supervisor a schedule, based on subdivisions of the public-land survey or 1
2 aliquot parts thereof, of all land then regarded as reasonably proved to be 2
3 productive in paying quantities; all lands in said schedule on approval of the 3
4 Supervisor to constitute a participating area, effective as of the date of 4
5 completion of such well or the effective date of this unit agreement, whichever 5
6 is later. The acreages of both Federal and non-Federal lands shall be based upon 6
7 appropriate computations from the courses and distances shown on the last approved 7
8 public-land survey as of the effective date of each initial participating area. 8
9 Said schedule shall also set forth the percentage of unitized substances to be 9
10 allocated as herein provided to each tract in the participating area to estab- 10
11 lished, and shall govern the allocation of production commencing with the 11
12 effective date of the participating area. A separate participating area shall 12
13 be established for each separate pool or deposit of unitized substances or for 13
14 any group thereof which is produced as a single pool or zone, and any two or more 14
15 participating areas so established may be combined into one, on approval of the 15
16 Supervisor. When production from two or more participating areas, so established, 16
17 is subsequently found to be from a common pool or deposit said participating 17
18 areas shall be combined into one effective as of such appropriate date as may be 18
19 approved or prescribed by the Supervisor. The participating area or areas so 19
20 established shall be revised from time to time, subject to like approval, to 20
21 include additional land then regarded as reasonably proved to be productive in 21
22 paying quantities or necessary for unit operations, or to exclude land then re- 22
23 garded as reasonably proved not to be productive in paying quantities and the 23
24 schedule of allocation percentages shall be revised accordingly. The effective 24
25 date of any revision shall be the first of the month in which is obtained the 25
26 knowledge or information on which such revision is predicated, provided, however, 26
27 that a more appropriate effective date may be used if justified by the Unit Oper- 27
28 ator and approved by the Supervisor. No land shall be excluded from a partici- 28
29 pating area on account of depletion of the unitized substances, except that any 29
30 participating area established under the provisions of this unit agreement shall 30
31 terminate automatically whenever all completions in the formation on which the 31
32 participating area is based are abandoned. 32
33

34 It is the intent of this section that a participating area shall represent 34
35 the area known or reasonably estimated to be productive in paying quantities; 35
36 but, regardless of any revision of the participating area, nothing herein containe 36
37 shall be construed as requiring any retroactive adjustment for production 37
38 obtained prior to the effective date of the revision of the participating area. 38
39

40 In the absence of agreement at any time between the Unit Operator and the 40
41 Supervisor as to the proper definition or redefinition of a participating area, 41
42 or until a participating area has, or areas have, been established as provided 42
43 herein, the portion of all payments affected thereby shall be impounded in a 43
44 manner mutually acceptable to the owners of working interests and the Supervisor. 44
45 Royalties due the United States and/or the Indians shall be determined by the 45
46 Supervisor and the amount thereof shall be deposited, as directed by the Super- 46
47 visor, to be held as unearned money until a participating area is finally ap- 47
48 proved and then applied as earned or returned in accordance with a determination 48
49 of the sum due as Federal and/or Indian royalty on the basis of such approved par- 49
50 ticipating area. 50
51

52 Whenever it is determined, subject to the approval of the Supervisor, that a 52
53 well drilled under this agreement is not capable of production in paying quantities 53
54 and inclusion of the land on which it is situated in a participating area is unwar- 54
55 ranted, production from such well shall, for the purposes of settlement among all 55
56 parties other than working interest owners, be allocated to the land on which the 56
57 well is located unless such land is already within the participating area estab- 57
58 lished for the pool or deposit from which such production is obtained. Settlement 58
59 for working interest benefits from such a well shall be made as provided in the 59
60 unit operating agreement. 60
61

62 12. ALLOCATION OF PRODUCTION. All unitized substances produced from each 62
63 participating area established under this agreement, except any part thereof used 63
64 in conformity with good operating practices within the unitized area for drilling 64
65 operating, camp, and other production or development purposes, for repressurization, 65
66 or reye in accordance with a plan of development approved

1 by the Supervisor, or unavoidably lost, shall be deemed to be produced equally 1
2 on an acreage basis from the several tracts of unitized land of the participating 2
3 area established for such production and, for the purpose of determining any 3
4 benefits accruing under this agreement, each such tract of unitized land shall 4
5 have allocated to it such percentage of said production as the number of acres of 5
6 such tract included in said participating area bears to the total acres of unitized 6
7 land in said participating area, except that allocation of production hereunder 7
8 for purposes other than for settlement of the royalty, overriding royalty, or 8
9 payment out of production obligations of the respective working interest owners, 9
10 shall be on the basis prescribed in the unit operating agreement whether in con- 10
11 formity with the basis of allocation herein set forth or otherwise. It is hereby 11
12 agreed that production of unitized substances from a participating area shall be 12
13 allocated as provided herein regardless of whether any wells are drilled on any 13
14 particular part or tract of said participating area. If any gas produced from one 14
15 participating area is used for repressuring or recycling purposes in another 15
16 participating area, the first gas withdrawn from such last-mentioned participating 16
17 area for sale during the life of this agreement shall be considered to be the gas 17
18 so transferred until an amount equal to that transferred shall be so produced for 18
19 sale and such gas shall be allocated to the participating area from which initially 19
20 produced as such area was last defined at the time of such final production. 20
21

22 13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND OR FORMATIONS. 22

23 Any party hereto owning or controlling the working interest in any unitized land 23
24 having thereon a regular well location may with the approval of the Supervisor, 24
25 at such party's sole risk, costs, and expense, drill a well to test any formation 25
26 for which a participating area has not been established or to test any formation 26
27 for which a participating area has been established if such location is not within 27
28 said participating area, unless within 90 days of receipt of notice from said 28
29 party of his intention to drill the well the Unit Operator elects and commences to 29
30 drill such a well in like manner as other wells are drilled by the Unit Operator 30
31 under this agreement. 31
32

33 If any well drilled as aforesaid by a working interest owner results in pro- 33
34 duction such that the land upon which it is situated may properly be included in 34
35 a participating area, such participating area shall be established or enlarged as 35
36 provided in this agreement and the well shall thereafter be operated by the Unit 36
37 Operator in accordance with the terms of this agreement and the unit operating 37
38 agreement. 38
39

40 If any well drilled as aforesaid by a working interest owner obtains pro- 40
41 duction in quantities insufficient to justify the inclusion of the land upon which 41
42 such well is situated in a participating area, such well may be operated and 42
43 produced by the party drilling the same subject to the conservation requirements 43
44 of this agreement. The royalties in amount or value of production from any such 44
45 well shall be paid as specified in the underlying lease and agreements affected. 45
46

47 14. ROYALTY SETTLEMENT. The United States and the Indians and any State and 47
48 any royalty owner who, is entitled to take in kind a share of the substances now 48
49 unitized hereunder shall hereafter be entitled to the right to take in kind its 49
50 share of the unitized substances, and Unit Operator, or the working interest owner 50
51 in case of the operation of a well by a working interest owner as herein provided 51
52 for in special cases, shall make deliveries of such royalty share taken in kind 52
53 in conformity with the applicable contracts, laws, and regulations. Settlement for 53
54 royalty interest not taken in kind shall be made by working interest owners respon- 54
55 sible therefor under existing contracts, laws and regulations, or by the Unit Oper- 55
56 ator, on or before the last day of each month for unitized substances produced 56
57 during the preceding calendar month; provided, however, that nothing herein con- 57
58 tained shall operate to relieve the lessees of any land from their respective 58
59 lease obligations for the payment of any royalties due under their leases. 59
60

61 If gas obtained from lands not subject to this agreement is introduced into 61
62 any participating area hereunder, for use in repressuring, stimulation of pro- 62
63 duction, or increasing ultimate recovery, in conformity with a plan of operations 63
64 approved by the Supervisor, a like amount of gas, after settlement as herein pro- 64
65 vided for any gas transferred from any other participating area and with appro- 65
66 priate deduction for taxes from any lease, may be withdrawn from the formation 66
67 into which the gas is introduced, royalty free as to dry gas, but not as to any 67
68 products which may be extracted therefrom; provided that such withdrawal shall be 68

1 at such time as may be provided in the approved plan of operations or as may other- 1
2 wise be consented to by the Supervisor as conforming to good petroleum engineering 2
3 practice; and provided further, that such right of withdrawal shall terminate on 3
4 the termination of this unit agreement. 4
5

6 Royalty due the United States ^{and Indians} shall be computed as provided 6
7 in the operating regulations and paid in value or delivered in kind as to all uni- 7
8 tized substances on the basis of the acreage thereof allocated to unitized Federal 8
9 and Indian land as provided herein at the rates specified in the respective Federal 9
10 and Indian leases, or at such ^{lower rate or rates} as may be authorized by law or 10
11 regulation; provided, that for leases on which royalty rate depends on the daily 11
12 average production per well, said average production shall be determined in accord- 12
13 ance with the operating regulations as though each participating area were a 13
14 single consolidated lease. 14
15

16 15. RENTAL SETTLEMENT. Rental or minimum royalties due on leases committed 16
17 hereto shall be paid by working interest owners responsible therefor under exist- 17
18 ing contracts, laws, and regulations, provided that nothing herein contained shall 18
19 operate to relieve the lessees of any land from their respective lease obligations 19
20 for the payment of any rental or minimum royalty due under their leases. Rental 20
21 or minimum royalty for lands of the United States and the Indians subject to this 21
22 agreement shall be paid at the rate specified in the respective leases from the 22
23 United States and the Indians unless such rental or minimum royalty is waived, 23
24 suspended, or reduced by law or by approval of the Secretary or his duly authorized 24
25 representative. 25
26

27 With respect to any lease on non-Federal and non-Indian land containing pro- 27
28 visions which would terminate such lease unless drilling operations are commenced 28
29 upon the land covered thereby within the time therein specified or rentals are 29
30 paid for the privilege of deferring such drilling operations, the rentals required 30
31 thereby shall, notwithstanding any other provision of this agreement, be deemed 31
32 to accrue and become payable during the term thereof as extended by this agreement 32
33 and until the required drilling operations are commenced upon the land covered 33
34 thereby or until some portion of such land is included within a participating area. 34
35

36 16. CONSERVATION. Operations hereunder and production of unitized substances 36
37 shall be conducted to provide for the most economical and efficient recovery of 37
38 said substances without waste, as defined by or pursuant to State or Federal law 38
39 or regulation. 39
40

41 17. DRAINAGE. The Unit Operator shall take such measures as the Supervisor 41
42 deems appropriate and adequate to prevent drainage of unitized substances from 42
43 unitized land by wells on land not subject to this agreement. 43
44

45 18. LEASES AND CONTRACTS CONFORMED AND EXTENDED. The terms, conditions, and 45
46 provisions of all leases, subleases, and other contracts relating to exploration, 46
47 drilling, development, or operation for oil or gas on lands committed to this 47
48 agreement are hereby expressly modified and amended to the extent necessary to make 48
49 the same conform to the provisions hereof, but otherwise to remain in full force 49
50 and effect; and the parties hereto hereby consent that the Secretary shall and by 50
51 his approval hereof, or by the approval hereof by his duly authorized representa- 51
52 tive, does hereby establish, alter, change, or revoke the drilling, producing, 52
53 rental, minimum royalty, and royalty requirements of Federal and Indian leases 53
54 committed hereto and the regulations in respect thereto to conform said require- 54
55 ments to the provisions of this agreement, and, without limiting the generality 55
56 of the foregoing, all leases, subleases, and contracts are particularly modified in 56
57 accordance with the following: 57
58

59 (a) The development and operation of lands subject to this agreement under 59
60 the terms hereof shall be deemed full performance of all obligations for develop- 60
61 ment and operation with respect to each and every separately owned tract subject 61
62 to this agreement, regardless of whether there is any development of any particular 62
63 tract of the unit area. 63
64

65 (b) Drilling and producing operations performed hereunder upon any tract of 65
66 unitized lands will be assigned and directed to be performed upon and for the benefit 66
67 of each and every tract of unitized land, and no lease shall be deemed to expire 67
68 by failure to drill or produce on any tract of land therein 68
69 subject. 69

1 (c) Suspension of drilling or producing operations on all unitized lands 1
2 pursuant to direction or consent of the Secretary or his duly authorized repre- 2
3 sentative shall be deemed to constitute such suspension pursuant to such direction 3
4 or consent as to each and every tract of unitized land. A suspension of drilling 4
5 or producing operations limited to specified lands shall be applicable only to such 5
6 lands. 6
7 7

8 (d) Each lease, sublease or contract relating to the exploration, drilling, 8
9 development or operation for oil or gas of lands other than those of the United 9
10 States and the Indians committed to this agreement, which, by its terms might 10
11 expire prior to the termination of this agreement, is hereby extended beyond any 11
12 such terms so provided therein so that it shall be continued in full force and 12
13 effect for and during the term of this agreement. 13
14 14

15 (e) Any Federal lease for a fixed term of twenty (20) years or any renewal 15
16 thereof or any part of such lease which is made subject to this agreement shall 16
17 continue in force beyond the term provided therein until the termination hereof. 17
18 Any other Federal or Indian lease committed hereto shall continue in force beyond 18
19 the term so provided therein or by law as to the land committed so long as such 19
20 lease remains subject hereto, provided that production is had in paying quantities 20
21 under this unit agreement prior to the expiration date of the term of such lease, 21
22 or in the event actual drilling operations are commenced on unitized land, in 22
23 accordance with the provisions of this agreement, prior to the end of the primary 23
24 term of such lease and are being diligently prosecuted at that time, such lease 24
25 shall be extended for two years and so long thereafter as oil or gas is produced in 25
26 paying quantities in accordance with the provisions of the Mineral Leasing Act 26
27 Revision of 1960 and aforementioned acts herein governing the Leasing of Indian 27
28 Lands. 28
29 29

30 (f) Each sublease or contract relating to the operation and development of 30
31 unitized substances from lands of the United States and the Indians committed to 31
32 this agreement, which by its terms would expire prior to the time at which the 32
33 underlying lease, as extended by the immediately preceding paragraph, will expire, 33
34 is hereby extended beyond any such term so provided therein so that it shall be 34
35 continued in full force and effect for and during the term of the underlying lease 35
36 as such term is herein extended. 36
37 37

38 (g) The segregation of any Federal lease committed to this agreement is 38
39 governed by the following provision in the fourth paragraph of Sec. 17 (j) of the 39
40 Mineral Leasing Act, as amended by the Act of September 2, 1960, (74 Stat. 781- 40
41 784): "Any (Federal) lease heretofore or hereafter committed to any such (unit) 41
42 plan embracing lands that are in part within and in part outside of the area 42
43 covered by any such plan shall be segregated into separate leases as to the lands 43
44 committed and the lands not committed as of the effective date of unitization: 44
45 Provided, however, that any such lease as to the non-unitized portion shall con- 45
46 tinue in force and effect for the term thereof but for not less than two years from 46
47 the date of such segregation and so long thereafter as oil and gas is produced in 47
48 paying quantities." 48
49 49

50 (h) Any lease, other than a Federal lease and including leases on Indian 50
51 lands having only a portion of its lands committed hereto shall be segregated as 51
52 to the portion committed and the portion not committed, and the provisions of such 52
53 lease shall apply separately to such segregated portions commencing as of the 53
54 effective date hereof. In the event any such lease provides for a lump-sum rental 54
55 payment, such payment shall be prorated between the portions so segregated in pro- 55
56 portion to the acreage of the respective tracts. 56
57 57

58 19. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be 58
59 covenants running with the land with respect to the interest of the parties hereto 59
60 and their successors in interest until this agreement terminates, and any grant, 60
61 transfer, or conveyance, of interest in land or leases subject hereto shall be and 61
62 hereby is conditioned upon the assumption of all privileges and obligations then 62
63 under by the grantee, transferee, or other successor in interest. No assignment 63
64 or transfer of any royalty, interest, royalty, or other interest subject hereto 64
65 shall be binding upon this Operator until the first day of the calendar month after 65
66 this Operator is furnished with the original, photostatic, or certified copy of 66
67 the instrument of transfer. 67
68 68

69 20. EFFECTIVE DATE AND TERM. This agreement shall become effective as provided 69
70 by the Secretary or his duly authorized representative and shall terminate 70
71 five (5) years from said effective date unless... 71

1 (a) such date of expiration is extended by the Director, or

2
3 (b) it is reasonably determined prior to the expiration of the fixed
4 term or any extension thereof that the unitized land is incapable of production
5 of unitized substances in paying quantities in the formations tested hereunder
6 and after notice of intention to terminate the agreement on such ground is given
7 by the Unit Operator to all parties in interest at their last known addresses,
8 the agreement is terminated with approval of the Supervisor, or

9
10 (c) a valuable discovery of unitized substances has been made or accepted
11 on unitized land during said initial term or any extension thereof, in which
12 event the agreement shall remain in effect for such term and so long as unitized
13 substances can be produced in quantities sufficient to pay for the cost of pro-
14 ducing same from wells on unitized land within any participating area established
15 hereunder and, should production cease, so long thereafter as diligent operations
16 are in progress for the restoration of production or discovery of new production
17 and so long thereafter as unitized substances so discovered can be produced as
18 aforesaid, or

19
20 (d) it is terminated as heretofore provided in this agreement. This agree-
21 ment may be terminated at any time by not less than 75 per centum, on an acreage
22 basis, of the working interest owners signatory hereto, with the approval of the
23 Supervisor; notice of any such approval to be given by the Unit Operator to all
24 parties hereto.

25
26 21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. The Director is
27 hereby vested with authority to alter or modify from time to time in his discretion
28 the quantity and rate of production under this agreement when such quantity and
29 rate is not fixed pursuant to Federal or State law or does not conform to any
30 state-wide voluntary conservation or allocation program which is established,
31 recognized, and generally adhered to by the majority of operators in such State,
32 such authority being hereby limited to alteration or modification in the public
33 interest, the purpose hereof and the public interest to be served thereby to be
34 stated in the order of alteration or modification. Without regard to the fore-
35 going, the Director is also hereby vested with authority to alter or modify from
36 time to time in his discretion the rate of prospecting and development and the
37 quantity and rate of production under this agreement when such alteration or
38 modification is in the interest of attaining the conservation objectives stated
39 in this agreement and is not in violation of any applicable Federal or State law.

40
41 Powers in this section vested in the Director shall only be exercised after
42 notice to Unit Operator and opportunity for hearing to be held not less than 15
43 days from notice.

44
45 22. APPEARANCES. Unit Operator shall, after notice to other parties
46 affected, have the right to appear for and on behalf of any and all interests
47 affected hereby before the Department of the Interior and to appeal from orders
48 issued under the regulations of said Department or to apply for relief from any
49 of said regulations or in any proceedings relative to operations before the
50 Department of the Interior or any other legally constituted authority; provided,
51 however, that any other interested party shall also have the right at his own
52 expense to be heard in any such proceeding.

53
54 23. NOTICES. All notices, demands or statements required hereunder to be
55 given or rendered to the parties hereto shall be deemed fully given if given in
56 writing and personally delivered to the party or sent by postpaid registered or
57 certified mail, addressed to such party or parties at their respective addresses
58 set forth in connection with the signatures hereto or to the ratification or
59 consent hereof or to such other address as any such party may have furnished in
60 writing, to party sending the notice, demand or statement.

61
62 24. NO WAIVER OF CERTAIN RIGHTS. Nothing in this agreement contained shall
63 be construed as a waiver by any party hereto of the right to assert any legal or
64 contractual right or defense as to the validity or invalidity of any law of
65 the State wherein said unitized lands are located, or of the United States, or
66 of any Federal or State law or regulation thereunder in any way affecting such party, or as a waiver by
67 any such party of any right beyond his or its authority to waive.

1 25. UNAVOIDABLE DELAY. All obligations under this agreement requiring
2 the Unit Operator to commence or continue drilling or to operate on or produce
3 unitized substances from any of the lands covered by this agreement shall be
4 suspended while the Unit Operator, despite the exercise of due care and diligence,
5 is prevented from complying with such obligations, in whole or in part, by strikes,
6 acts of God, Federal, State, or municipal law or agencies, unavoidable accidents,
7 uncontrollable delays in transportation, inability to obtain necessary materials
8 in open market, or other matters beyond the reasonable control of the Unit Operator
9 whether similar to matters herein enumerated or not. No unit obligation which is
10 suspended under this section shall become due less than thirty (30) days after it
11 has been determined that the suspension is no longer applicable. Determination
12 of creditable "Unavoidable Delay" time shall be made by the unit operator subject
13 to approval of the Supervisor.
14

15 26. NONDISCRIMINATION. In connection with the performance of work under
16 this agreement, the Operator agrees to comply with all the provisions of Section
17 207 (1) to (7) inclusive of Executive Order 11246 (30 F. R. 12319), as amended,
18 which are hereby incorporated by reference in this agreement. However, the Unit
19 Operator shall comply with the terms and conditions of the Indian leases while
20 engaged in operations hereunder with respect to the employment of available, quali-
21 fied Indian labor.
22

23 27. LOSS OF TITLE. In the event title to any tract of unitized land shall
24 fail and the true owner cannot be induced to join in this unit agreement, such
25 tract shall be automatically regarded as not committed hereto and there shall be
26 such readjustment of future costs and benefits as may be required on account of
27 the loss of such title. In the event of a dispute as to title as to any royalty,
28 working interest, or other interests subject thereto, payment or delivery on
29 account thereof may be withheld without liability for interest until the dispute
30 is finally settled; provided, that, as to Federal and Indian Land or leases, no
31 payments of funds due the United States or the Indians should be withheld, but
32 such funds shall be deposited as directed by the Supervisor to be held as unearned
33 money pending final settlement of the title dispute, and then applied as earned
34 or returned in accordance with such final settlement. Unit Operator as such is
35 relieved from any responsibility for any defect or failure of any title hereunder.
36

37 28. NON-JOINDER AND SUBSEQUENT JOINDER. If the owner of any substantial
38 interest in a tract within the unit area fails or refuses to subscribe or consent
39 to this agreement, the owner of the working interest in that tract may withdraw
40 said tract from this agreement by written notice delivered to the Supervisor and
41 the Unit Operator prior to the approval of this agreement by the Supervisor. Any
42 oil or gas interests in lands within the unit area not committed hereto prior to
43 submission of this agreement for final approval may thereafter be committed hereto
44 by the owner or owners thereof subscribing or consenting to this agreement, and,
45 if the interest is a working interest, by the owner of such interest also sub-
46 scribing to the unit operating agreement. After operations are commenced hereunder,
47 the right of subsequent joinder, as provided in this section, by a working interest
48 owner is subject to such requirements or approvals, if any, pertaining to such
49 joinder, as may be provided for in the unit operating agreement. After final ap-
50 proval hereof, joinder by a non-working interest owner must be consented to in
51 writing by the working interest owner committed hereto and responsible for the
52 payment of any benefits that may accrue hereunder in behalf of such non-working in-
53 terest. A non-working interest may not be committed to this unit agreement unless
54 the corresponding working interest is committed hereto. Joinder to the unit
55 agreement by a working interest owner, at any time, must be accompanied by appro-
56 priate joinder to the unit operating agreement, if more than one committed working
57 interest owner is involved, in order for the interest to be regarded as committed
58 to this unit agreement. Except as may otherwise herein be provided, subsequent
59 joinders to this agreement shall be effective as of the first day of the month
60 following the filing with the Supervisor of duly executed counterparts of all of
61 any papers necessary to establish effective commitment of any tract to this agree-
62 ment unless objection to such joinder is duly made within 60 days by the Supervisor.
63

64 29. COUNTERPARTS. This agreement may be executed in any number of counterparts
65 parts none of which needs to be executed by all parties or may be certified or
66 attested to by separate instrument in writing specifically referring hereunto and
67 all binding upon all those parties who have executed such a counterpart, and
68 together, or a joint instrument with the same legal effect as if all such parties
69 had signed the same document, and regardless of whether or not it is so certified or
70 attested, or other parties owning or claiming an interest in the lands within the unit
71 area.

1 30. SPECIAL SURFACE STIPULATIONS. Nothing in this agreement shall modify
2 the special Federal lease stipulations applicable to lands under the jurisdiction
3 of the Bureau of Land Management on the Bureau of Indian Affairs.
4

5 IN WITNESS WHEREOF, the parties hereto have caused this agreement to be exe-
6 cuted and have set opposite their respective names the date of execution.
7
8

9 UNIT OPERATOR AND WORKING INTEREST OWNER

10
11 ESTATE OF WILLIAM G. HELIS,
12 A PARTNERSHIP

13
14
15
16 By _____
17 Morris Wright for
18 William G. Helis, Jr.
19 Managing Partner
20

21
22 Address: 912 Whitney Bldg.
23 New Orleans, LA 70130
24

25 Date of Execution:
26
27 _____
28

29
30 STATE OF LOUISIANA)
31) ss.
32 PARISH OF ORLEANS)
33

34 On this _____ day of _____, 1980, before me personally
35 appeared MORRIS WRIGHT, duly authorized to act for William G. Helis, Jr., Managing
36 Partner of the Estate of William G. Helis, A Partnership, who acknowledged that he
37 executed the above and foregoing instrument as his free act and deed in said
38 capacity.
39

40 WITNESS my official signature and seal at New Orleans, Louisiana, on
41 the date hereinabove written.
42

43
44 _____
45 Notary Public in and for the Parish of
46 Orleans, State of Louisiana.
47

47 My commission is for life.

15. T151N-R94W, 5th P.M.
Sec. 11: NW²NE²

40.00 14-20-A04-
4360
Expires
5-25-83

Vincent Hunts Along, Sr. 4/9
Basil Hunts Along 4/9
Leona Hunts Along, Estate 1/9

Estate of William
G. Helis 75%
R. A. McDonald 25%
None

Estate of William
G. Helis 75%
R. A. McDonald 25%

16. T151N-R94W, 5th P.M.
Sec. 2: SW²NW²

39.50 14-20-A04-
4361
Expires
5-25-83

Willis Whiteman 120/168
Oscar Whiteman 8/168
Emily Whiteman Good Bird 8/168
Loretta Lois Linder 8/168
Mae V. Gourd 4/168
Amelia Ann Linder Hoffarth 4/168
Allen Thomas Demaray 1/168
Winona Demaray 1/168
Benjamin Demaray 1/168
Maynard Demaray 1/168
Cora Ann Whiteman 8/168

Estate of William
G. Helis 75%
R. A. McDonald 25%
None

Estate of William
G. Helis 75%
R. A. McDonald 25%

17. T151N-R94W, 5th P.M.
Sec. 2: W¹SE²

76.19 14-20-A04-
4362
Expires
5-25-83

Willis Whiteman 36/84
Oscar Whiteman, Jr. 8/84
Emily Whiteman Good Bird 8/84
Loretta Lois Whiteman Linder 8/84
Cora Ann Whiteman 8/84
Mae V. Gourd Whiteman 4/84
Amelia Ann Linder 4/84
Allen Thomas Demaray 1/84
Winona Demaray 1/84
Benjamin Kelly Demaray 1/84
Maynard Demaray 1/84

Estate of William
G. Helis 75%
R. A. McDonald 25%
None

Estate of William
G. Helis 75%
R. A. McDonald 25%

18. T151N-R94W, 5th P.M.
Sec. 2: SE $\frac{1}{4}$ NW $\frac{1}{4}$

39.76 14-20-A04-
NET 4363

Expires
5-25-83

Julia Hunts Along Price 1344/10752
Charles Moran 3360/10752
Loren Moran 3360/10752
Oscar Whiteman, Jr. 756/10752
Emily Whiteman Good Bird 128/10752
Loretta Lois Linder 128/10752
Willis Whiteman 128/10752
Cora Whiteman 128/10752
Robert Left Hand Thunder 672/10752
Lorraine Little Owl Gayton 84/10752
Christine Little Owl Bear 84/10752
Elizabeth Little Owl Parshall 84/10752
Matthew Hunts Along 84/10752
Sam Louis Newman 84/10752
Ronald Newman 84/10752
Mae V. Gourd 64/10752
Amelia Linder Hoffarth 64/10752
Marlene Star McKing 42/10752
Patricia McKing 21/10752
Peter L. McKing 21/10752
Allen Thomas Demaray 16/10752
Winona Demaray 16/10752
Benjamin Demaray 16/10752
Maynard Demaray 16/10752
Ina Jo Rogers 14/10752
Jason Jon Lawson 14/10752

Estate of William None
G. Helis 75%
R. A. McDonald 25%

Estate of William
G. Helis 75%
R. A. McDonald 25%

18. cont'd.

Delvin Jay Rogers 14/10752
 Orlando Todd Newman 14/10752
 Thomas Gary Lewis by Donald
 J. Morgan, Superintendent
 Ft. Berthold Agency 14/10752
 Shelia Virginia Lewis 14/10752

19.	T151N-R94W, 5th P.M. Sec. 2: E $\frac{1}{2}$ SW $\frac{1}{4}$	80.00	14-20-A04- 4364	Julia Hunts Along Price 100%	Estate of William G. Helis 75% R. A. McDonald 25%	None	Estate of William G. Helis 75% R. A. McDonald 25%
			Expires 5-25-83				
20.	T151N-R94W, 5th P.M. Sec. 3: Lots 1,2, S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$	203.59	14-20-A04- 4407	Frank Birdsbill, Jr. 13/156 Fannie Birdsbill Benson 13/156 Mary Birdsbill Fox 13/156 Elizabeth Birdsbill Matthews 13/156 Charles Birdsbill 13/156 Lawrence Birdsbill 13/156 John Birdsbill 13/156 Ida Birdsbill Grinnell 13/156 Carl William Sterud, Sr. 3/156 Ruth Sterud 3/156 Peter Sterud, Jr. 3/156 Cecilia Birdsbill Fox 13/156 Harold Birdsbill 13/156 Joseph Miller Meyers 13/156	Estate of William G. Helis 75% R. A. McDonald 25%	None	Estate of William G. Helis 75% R. A. McDonald 25%
			Expires 6-2-83				

21. T151N-R94W, 5th P.M.
Sec. 2: E $\frac{1}{2}$ SE $\frac{1}{4}$

80.00 14-20-A04-
4408
Expires
6-2-83

Julia Hunts Along Price 1344/5376
Willis Whiteman 576/5376
Cora Whiteman 128/5376
Oscar Whiteman, Jr. 128/5376
Emily Whiteman Good Bird 128/5376
Loretta Lois Linder 128/5376
Mae V. Gourd Whiteman 64/5376
Amelia Linder 64/5376
Victoria Morsette Lincoln 224/5376
Joan Morsette Finley 224/5376
Alfred Morsette, Jr. 224/5376
Germaine Morsette Coming Hay 224/5376
Roy Morsette 224/5376
Diana Morsette Washington
Finley 224/5376
Robert Left Hand Thunder 672/5376
Lorraine Little Owl Gayton 84/5376
Christine Little Owl Bear 84/5376
Elizabeth Little Owl
Parshall 84/5376
Matthew Hunts Along, Sr. 84/5376
Sam Louis Newman 84/5376
Ronald Newman 84/5376
Marlene Star McKing 42/5376
Patricia McKing 21/5376
Peter L. McKing 21/5376
Ina Jo Rogers 14/5376
Jason Jon Lawson 14/5376

Estate of William None
G. Helis 75%
R. A. McDonald 25%

Estate of William
G. Helis 75%
R. A. McDonald 25%

21. cont'd.

Delvin Jay Rogers 14/5376
Orlando Todd Newman 14/5376
Thomas Gary Lewis 14/5376
Shelia Virginia Lewis
14/5376
Richard Demaray 64/5376
Allen Thomas Demaray 16/5376
Winona Demaray 16/5376
Benjamin Demaray 16/5376
Maynard Demaray 16/5376

22. T151N-R94W, 5th P.M.
Sec. 3: Lots 3,4,
S $\frac{1}{2}$ NW $\frac{1}{4}$

158.85 14-20-A04-
4409
Expires
6-2-83

Rose Parshall Crow Flies
High 6/12
Etta Cecilia Lockwood 3/12
Marmie Drags Wolf Hamamoto
1/12
Hugh Drags Wolf, Jr. 1/12
Joline Packineau Drags Wolf
Begay 1/12

Estate of William None
G. Helis 75%
R. A. McDonald 25%

Estate of William
G. Helis 75%
R. A. McDonald 25%

23. T151N-R94W, 5th P.M.
Sec. 2: NW $\frac{1}{4}$ SW $\frac{1}{4}$

40.00 14-20-A04-
4410

Expires
6-2-83

Fannie Birdsbill Benson 663/7020
Mary Birdsbill Fox 663/7020
Elizabeth Birdsbill Matthews 663/7020
Charles Birdsbill 663/7020
Lawrence Birdsbill 663/7020
Ida Birdsbill Grinnell 663/7020
Peter Sterud (Deceased) 149/7020
Carl William Sterud, Sr. 149/7020
Ruth Sterud Corn Matthews 149/7020
Peter Sterud, Jr. 149/7020
Cecilia Birdsbill 195/7020
Harold Birdsbill 195/7020
Joseph Miller Meyers 663/7020
Frank Birdsbill, Jr. 663/7020
John Birdsbill 663/7020

Estate of William None
G. Helis 75%
R. A. McDonald 25%

Estate of William
G. Helis 75%
R. A. McDonald 25%

24.	<u>T151N-R94W, 5th P.M.</u>	39.49	14-20-A04-	Kenneth Hunts Along	Estate of William	None	Estate of William
	Sec. 2: Lot 4		4489	(Incompetent) 12/84	G. Helis	75%	G. Helis 75%
				Annie Hunts Along Lockwood	R. A. McDonald	25%	R. A. McDonald 25%
				Expires 12/84			
				6-16-83	Audry Hunts Along Reed		
					Roger Hunts Along		
					Russell Hunts Along		
					Phyllis Moran Williams		
					Effie Catherine Vondall		
					Majorie Moran Gustafson		
					Vincent Moran, Sr.		
					Victoria Morsette Lincoln		
					Joan Morsette Finley		
					Germaine Morsette Coming Hay		
					Alfred Morsette, Jr.		
					Roy Morsette		
					Diana Morsette Washington		

25.	<u>T151N-R94W, 5th P.M.</u>	39.23	14-20-A04-	Vincent Hunts Along, Sr.	Coquina Oil	None	Coquina Oil
	Sec. 2: Lot 3	NET	4761	7168/32256	Corporation	100%	Corporation 99.40%
		Expires		Basil Hunts Along			
		8-9-83		7168/32256			
				Leona Hunts Along Hale			
				Estate 1792/32256			
				Julia Hunts Along Price			
				4032/32256			
				Vincent Moran, Sr.			
				4032/32256			
				Oscar Whiteman, Jr.			
				1728/32256			
				Emily Whiteman Goodbird			
				384/32256			
				Loretta Lois Linder Estate			
				384/32256			
				Robert Left Hand Thunder			
				2016/32256			
				Lorraine Little Owl Gayton			
				252/32256			
				Christine Little Owl Bear			
				252/32256			
				Elizabeth Little Owl			
				Parshall 252/32256			
				Matthew Hunts Along, Sr.			
				252/32256			
				Sam Louis Newman 252/32256			
				Ronald Newman 252/32256			
				Mae V. Gourd Whiteman			
				192/32256			
				Amelia Ann Linder Hoffarth			
				192/32256			
				Marlene Star McKing			
				126/32256			
				Patricia McKing 63/32256			
				Peter L. McKing 63/32256			
				Allen Thomas Demaray			
				48/32256			
				Winona Demaray 48/32256			

25. cont'd.

Benjamin Demaray 48/32256
 Maynard Demaray 48/32256
 Ina Jo Rogers 42/32256
 Jason Jon Lawson 42/32256
 Delvin Jay Rogers 42/32256
 Orlando Todd Newman 42/32256
 Thomas Gary Lewis 42/32256
 Sheila Virginia Lewis 42/32256
 Willis Whiteman 384/32256
 Cora Whiteman 384/32256

26. T151N-R94W, 5th P.M. 40.00 14-20-A04- Nora Jones Martin 100% Grace Petroleum None Grace Petroleum
Sec. 14: W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{2}$ 5352 Corporation 100% Corporation 100%
 Expires
 10-10-83

27. T151N-R94W, 5th P.M. 40.00 14-20-A04- Alfred (Fox) Morsette, Sr. Patrick Petroleum None Patrick Petroleum
Sec. 13: SW $\frac{1}{4}$ SW $\frac{1}{4}$ 5387 21/63 Corporation 100% Corporation 100%
 Expires
 10-13-83
 Victoria Morsette Lincoln 7/63
 Joan Morsette Finley 7/63
 Alfred Morsette, Jr. 7/63
 Germaine Morsette Coming Hay 7/63
 Roy Morsette 7/63
 Diane Morsette Finley 7/63

28.	T151N-R94W, 5th P.M. Sec. 12: N $\frac{1}{2}$ NW $\frac{1}{4}$	80.00	14-20-A04- 5718	Phyllis Moran Williams 44/180 Vincent Moran 24/180 Catherine Moran Vondall 44/180 Marjorie Moran Gustafson 44/180 Rosena Jane Grady Moran 12/180 Charles Moran 6/180 Loren Moran 6/180	Patrick Petroleum Corporation 100%	None	Patrick Petroleum Corporation 100%
			Expires 11-27-83				
29.	T151N-R94W, 5th P.M. Sec. 10: W $\frac{1}{2}$	320.00	14-20-A04- 5934	Matthew Foolish Bear 1/3 Phyllis Drags Wolf Charging 1/3 Kenneth Mark Drags Wolf, Jr. 1/3	Patrick Petroleum Corporation 100%	None	Patrick Petroleum Corporation 100%
			Expires 1-26-84				
30.	T151N-R94W, 5th P.M. Sec. 10: NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$	240.00	14-20-A04- 5935	Matthew Foolish Bear 1/3 Phyllis K. Drags Wolf Charging 1/3 Kenneth Mark Drags Wolf, Jr. 1/3	Patrick Petroleum Corporation 100%	None	Patrick Petroleum Corporation 100%
			Expires 1-26-84				
31.	T151N-R94W, 5th P.M. Sec. 2: Lots 1,2, S $\frac{1}{2}$ NE $\frac{1}{4}$	153.85	14-20-A04- 5965	Oscar Whiteman, Jr. 100%	Patrick Petroleum Corporation 100%	None	Patrick Petroleum Corporation 100%
			Expires 2-22-84				

32. T151N-R94W, 5th P.M. 40.00 14-20-A04-- 8/168 Oscar Whiteman, Jr. Grace Petroleum Corporation 100% None
 Sec. 11: SW1/4SE1/4 6418 Emily Whiteman Good Bird 8/168 Corporation 100%

Expires 9-21-84
 Loretta Lois Whiteman Linder 8/168
 Estate Willis Whiteman, Sr. 120/168
 Allen Thomas Demaray 1/168
 Winona Demaray 1/168
 Amelia Ann Linder Hoffarth 4/168
 Mae Gourd Whiteman 4/168
 Catalina Marie Whiteman (Red Tomahawk) 8/168
 Benjamin Kelly Whiteman 1/168
 Maynard Demaray 1/168
 Richard Demaray 1/168

20 ALLOTTED INDIAN TRACTS TOTALING 1,914.53 ACRES OR 48.26% OF UNIT AREA

22 INDIAN TRACTS TOTALING 2,314.53 ACRES OR 58.34% OF UNIT AREA