

WARRANTY DEED

THIS INDENTURE, Made this 16<sup>th</sup> day of November, in the year of our Lord One Thousand Nine Hundred and Seventy-eight, between Deborah Beggs Moncrief and George Beggs, III, as Trustees of the George Beggs Trust, principally officed in Tarrant County, Texas, Party of the First Part and John A. Yates and Peggy A. Yates, his wife, of Eddy County, New Mexico, as one of two tenants in common, and Yates Petroleum Corporation, a New Mexico corporation principally officed in Eddy County, New Mexico, as the other tenant in common, in equal shares, Parties of the Second Part.

WITNESSETH, That the said Party of the First Part, for and in consideration of the sum of Ten Dollars (\$10.00) cash and other good and valuable considerations to it in hand paid and secured to be paid by the said Parties of the Second Part, the receipt and sufficiency of which is hereby confessed and acknowledged by Party of the First Part, including the execution of two certain promissory notes of even date with this deed totaling \$3,250,000.00 by Parties of the Second Part, John A. Yates and Peggy A. Yates, his wife, having executed one of said notes in the sum of \$1,625,000.00 and Yates Petroleum Corporation having executed another and separate note of \$1,625,000.00, said notes being of identical form and to bear interest at the rate of 6% per annum, with interest only from said date to December 20, 1978 being paid on December 20, 1978, and with the balance, principal and interest on each note being payable over a 30-year period in thirty (30) equal annual installments of \$118,056.25, beginning on and not before the 20th day of December, 1979, and thereafter on the 20th day of December of each and every year until paid in full, said payments to be made at the First National Bank of

Exhibit 4  
01cv00072-MV-WPL  
Subfile ZRB-2-0098

BOOK 258 PAGE 2764

STATE OF NEW MEXICO  
COUNTY OF VALENCIA  
This instrument was filed for record on

at 2:49 o'clock P. m. NOV 21 1979  
of records of said County Folio 2764-2770  
JIMMY TORRES, County Clerk  
Debra, Deputy Clerk  
Fee 9.00 Rec. # 9420

Artesia in Artesia, Eddy County, New Mexico for transfer to The Continental National Bank of Fort Worth for the account of George Beggs Trust, or at such other place as the parties may agree, and with Parties of the Second Part having the right to prepay the balance due on said notes in whole or in part without penalty after the 20th day of December, 1979, the payment of each of said notes being secured by a good and sufficient mortgage on the maker's individual one-half interest in the property conveyed, have granted, bargained, sold, remised, conveyed, released and confirmed, and by these presents do grant, bargain, sell, remise, convey, release and confirm unto the said Party of the Second Part, its successors and assigns forever all the following described lots or parcels of land and real estate, situate, lying and being in the County of Valencia and State of New Mexico, to-wit:

The following part of Section Six (6) situated in Township Five (5) North, Range Nineteen (19) West of New Mexico Principal Meridian, to-wit:

Lots One (1), Two (2), and Three (3), the Southwest Quarter of the Northeast Quarter ( $SW\frac{1}{4}NE\frac{1}{4}$ ), and the Southeast Quarter of the Northwest Quarter ( $SE\frac{1}{4}NW\frac{1}{4}$ ): and

The following Sections and parts of Sections situated in Township Six (6) North, Range Nineteen (19) West of New Mexico Principal Meridian, to-wit:

All of Sections One (1), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), and Fifteen (15); and

The East Half of the Southwest Quarter ( $E\frac{1}{2}SW\frac{1}{4}$ ) and the Southwest Quarter of the Southeast Quarter ( $SW\frac{1}{4}SE\frac{1}{4}$ ) of Section Sixteen (16); and

All of Sections Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-one (21), Twenty-two (22), Twenty-three (23), Twenty-four (24), Twenty-five (25), Twenty-six (26), Twenty-seven (27), Twenty-eight (28), Twenty-nine (29), Thirty (30), Thirty-one (31), Thirty-three (33), Thirty-four (34), and Thirty-five (35); and

The following Sections and parts of Sections situated in Township Seven (7) North, Range Nineteen (19) West of New Mexico Principal Meridian, to-wit:

All of Sections One (1), Three (3), Four (4), Five (5), Six (6), and Seven (7); and

The Northwest Quarter ( $NW\frac{1}{4}$ ) and South Half ( $S\frac{1}{2}$ ) of Section Eight (8); and

All of Sections Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Fifteen (15), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-one (21), Twenty-two (22), Twenty-three (23), Twenty-four (24), Twenty-five (25), Twenty-six (26), Twenty-seven (27), Twenty-eight (28), Twenty-nine (29), Thirty (30), Thirty-one (31), Thirty-three (33), Thirty-four (34), and Thirty-five (35); and

The following Sections and parts of Sections situated in Township Five (5) North, Range Eighteen (18) West, of New Mexico Principal Meridian, to-wit:

All of Sections Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9) and Seventeen (17); and

The North Half ( $N\frac{1}{2}$ ) of Section Eighteen (18); and

The following Sections and parts of Sections situated in Township Six (6) North, Range Eighteen (18) West of New Mexico Principal Meridian, to-wit:

All of Sections One (1), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), and Eleven (11); and

The East Half ( $E\frac{1}{2}$ ), Southeast Quarter of the Northwest Quarter ( $SE\frac{1}{4}NW\frac{1}{4}$ ), Northeast Quarter of the Southwest Quarter ( $NE\frac{1}{4}SW\frac{1}{4}$ ), and South Half of the Southwest Quarter ( $S\frac{1}{2}SW\frac{1}{4}$ ) of Section Twelve (12); and

All of Sections Thirteen (13), Fourteen (14), Fifteen (15), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-one (21), Twenty-two (22), Twenty-three (23), Twenty-five (25), Twenty-six (26), Twenty-seven (27), Twenty-eight (28), Twenty-nine (29), Thirty (30), and Thirty-one (31); and

The North Half of the Northeast Quarter ( $N\frac{1}{2}NE\frac{1}{4}$ ) of Section Thirty-two (32); and

All of Sections Thirty-three (33), Thirty-four (34) and Thirty-five (35); and

The following Sections situated in Township Seven (7) North, Range Eighteen (18) West of New Mexico Principal Meridian, to-wit:

All of Sections One (1), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Fifteen (15), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-one (21), Twenty-two (22), Twenty-three (23), Twenty-four (24), Twenty-five (25), Twenty-six (26), Twenty-seven (27), Twenty-eight (28), Twenty-nine (29), Thirty (30), Thirty-one (31), Thirty-three (33), Thirty-four (34), and Thirty-five (35); and

The following Section situated in Township Six (6) North, Range Seventeen (17) West of New Mexico Principal Meridian, to-wit:

All of Section Six (6); and

The following Sections and parts of Sections situated in Township Seven (7) North, Range Seventeen (17) West of New Mexico Principal Meridian, to-wit: 7-17

The South Half ( $S\frac{1}{2}$ ) of Section Three (3); and

All of Sections Four (4), and Five (5); and

The Southwest Quarter of the Northeast Quarter ( $SW\frac{1}{4}NE\frac{1}{4}$ ), Southeast Quarter of the Northwest Quarter ( $SE\frac{1}{4}NW\frac{1}{4}$ ), Southwest Quarter of the Southeast Quarter ( $SW\frac{1}{4}SE\frac{1}{4}$ ), East Half of the Southwest Quarter ( $E\frac{1}{2}SW\frac{1}{4}$ ), of Section Six (6), except that part thereof in highway; and Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6) and Seven (7), of Section Six (6), except that part thereof in highway; and

All of Section Seven (7), except that part thereof in highway; and

All of Sections Eight (8), Nine (9), and Ten (10); and

All of Sections Fifteen (15) and Seventeen (17); and

All of Section Eighteen (18), except that part thereof in highway; and

All of Section Nineteen (19), except that part thereof in highway; and

All of Sections Twenty (20), Twenty-one (21), Twenty-two (22), and Twenty-nine (29); and

All of Section Thirty (30), except that part thereof in highway; and

All of Section Thirty-one (31), except that part thereof in highway;

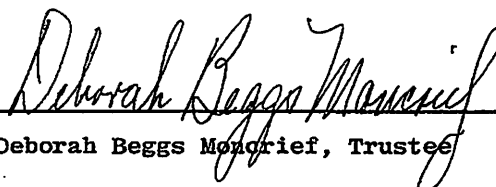
containing in all approximately 97,825.59 acres, more or less;

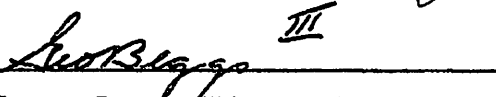
Party of the First Part, Deborah Beggs Moncrief and George Beggs, III, as Trustees of the George Beggs Trust, expressly conveys to Parties of the Second Part, John A. Yates and Peggy A. Yates, his wife, as one tenant in common, and Yates Petroleum Corporation, as the other tenant in common, in equal shares, the undivided one-half ( $\frac{1}{2}$ ) of all the oil, gas and other minerals and/or royalties now owned by Party of the First Part, under and on said land herein described or that may be produced therefrom. The one-half ( $\frac{1}{2}$ ) of the oil, gas and other minerals and/or royalties now owned by Party of the First Part, the George Beggs Trust, includes the undivided one-half ( $\frac{1}{2}$ ) of said minerals and/or royalties acquired from Pete

profits thereof and all the estate, right, title, interest, claim and demand whatsoever, of the Party of the First Part, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances;

TO HAVE AND TO HOLD the said premises above bargained and described with the appurtenances, unto the said Parties of the Second Part, their respective heirs, executors and administrators forever. And the said Party of the First Part, its successors and assigns, does covenant and agree, to and with the said Parties of the Second Part, their heirs, executors and administrators, that at the time of the ensembling and delivery of these presents it is well seized of the premises above conveyed, of a good, sure, perfect, absolute and indefeasible estate of inheritance in law and in fee simple and have good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and incumbrances of what kind and nature soever; and the above bargained premises, in the quiet and peaceful possession of the Parties of the Second Part, their heirs, executors and administrators, against all and every person or persons lawfully claiming or to claim, the whole or any part thereof, the said Party of the First Part shall and will Warrant and Forever defend.

IN WITNESS WHEREOF, the said Trustees of Party of the First Part have hereunto set their hands and seal on the day and year first above written.

  
 Deborah Beggs Moncrief, Trustee

  
 George Beggs, III, Trustee

STATE OF TEXAS           X  
                                  X  
COUNTY OF TARRANT    X

On this 16<sup>th</sup> day of November, 1978, before me personally appeared Deborah Beggs Moncrief and George Beggs, III, Trustees of the George Beggs Trust, known to me to be the persons described in and who executed the foregoing instrument as said Trustees and acknowledged to me that they executed the same as their free act and deed and in the capacity therein stated.

WITNESS MY HAND AND SEAL the day and year last above written.

*Sergius J. Johnston*  
Notary Public in and for  
Tarrant County, Texas

My commission expires:

Nov. 30, 1980

BOOK 258   PAGE 2770

QUITCLAIM DEED

DEBORAH BEGGS MONCRIEF and GEORGE BEGGS, III, TRUSTEES of the GEORGE BEGGS TRUST, 644 Fort Worth Club Building, Fort Worth, Texas 76102, for consideration paid, quitclaims to JOHN A. YATES and PEGGY A. YATES, his wife, as one of two tenants in common, and YATES PETROLEUM CORPORATION, a New Mexico corporation, as the other tenant in common, 104 South 4th Street, Artesia, New Mexico 88210, in equal shares, the following described real estate in Valencia County, New Mexico:

Township 7 North, Range 17 West, N.M.P.M.

Section 6: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$

containing 160 acres, more or less.

Township 7 North, Range 19 West, N.M.P.M.

Section 8: NE $\frac{1}{4}$

containing 160 acres, more or less.

WITNESS our hands and seal this 16<sup>th</sup> day of November, 1978.

Deborah Beggs Moncrief  
Deborah Beggs Moncrief, Trustee

George Beggs III  
George Beggs, III, Trustee

STATE OF TEXAS            X  
                                  X    ss  
COUNTY OF TARRANT    X

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of November, 1978 by Deborah Beggs Moncrief and George Beggs, III, Trustees of the George Beggs Trust.

Suzanne Johnston  
Notary Public in and for  
Tarrant County, Texas

My commission expires:

Nov. 30, 1980

STATE OF NEW MEXICO  
COUNTY OF VALENCIA  
This instrument was filed for record on

NOV 21 1978  
at 2:00 o'clock P. m. Record in Vol. 258  
of records of said County Folio 2771  
J. CHANNY TORRES, County Clerk  
[Signature] Deputy Clerk  
Fee \$3.00    Rec. # 9420