

**EXHIBIT 2**  
**Case 11982**

S. E. Red Tank Prospect, Lea County, New Mexico  
Pilot Pressure Maintenance Project

USA Lease NM-81272

Land Description:	<u>T-22-S, R-32-E, N.M.P.M., Lea Co., NM</u> Section 22: E/2 Section 27: E/2 containing 640 acres, more or less	
Ownership:		
Surface:	USA	(100%)
Minerals:	USA	(100%)
Leasehold:	Pogo Producing Company	(100%)
Overriding Royalty Interest:	Exxon Corporation P. O. Box 4697 Houston, Texas 77210-4697 Attention: Mr. Bob Matthew	(12.5%)
Royalty Interest:	USA	(12.5%)

USA Lease NM-77058

Land Description:	<u>T-22-S, R-32-E, N.M.P.M., Lea Co., NM</u> Section 22: SW/4 containing 160 acres, more or less. among other lands	
Ownership:		
Minerals:	USA	(100%)
Leasehold:	Strata Production Company - Operator P. O. Box 1030 Roswell, New Mexico 88202-1030 Attention: Ms. Jo McInerney	(50.0%)
	Intoil, Inc. P. O. Box 3438 Englewood, Colorado 80155-3438 Attention: Ms. Judith Evans or Burlington Resources Oil & Gas Company P. O. Box 51810 Midland, Texas 79710-1810 Attention: Mr. Rick Gallegos	(50.0%)

Overriding Royalty Interest: Exxon Corporation (5.0%)

Worrall Investment Corporation (0.5%)  
648 Petroleum Building  
Roswell, New Mexico 88201

George L. Scott, Jr. (0.5%)  
648 Petroleum Building  
Roswell, New Mexico 88201

Mitchell Exploration, Inc. (0.5%)  
P. O. Box 2415  
Midland, Texas 79702

Energex Company (0.5%)  
100 North Pennsylvania  
Roswell, New Mexico 88201

Royalty Interest: USA (12.5%)

USA Lease NM-81633

Land Description:

T-22-S, R-32-E, N.M.P.M., Lea Co., NM  
Section 23: SW/4  
containing 160 acres, more or less,  
among other lands

Ownership:

Minerals: USA (100%)

Leasehold: Burlington Resources Oil & Gas (100%)  
Company  
P. O. Box 51810  
Midland, Texas 79710-1810  
Attention: Mr. Rick Gallegos

Overriding Royalty Interest: Frederick H. Prince, IV (2.51255%)  
816 Connecticut Ave.  
Washington, D.C. 20006

C. W. Trainer (1.93091%)  
409 San Leanne Drive  
Austin, Texas 85260

	David Mussett 8006 Downing Austin, Texas 78759-4327	(0.0126202%)
	Marian Mussett P. O. Box 2134 Midland, Texas 79702	(0.0126202%)
	Dr. Ronald Barnes 3300 N. 75 <sup>th</sup> Scottsdale, Arizona 85251	(0.0505113%)
	Charles Tiblom 6242 Chevy Chase Road Houston, Texas 77057	(0.0505113%)
	Excalibur Energy Co. P. O. 25045 Albuquerque, New Mexico 87125	(0.48175%)
	R. Hugo Cotter P. O. Drawer 25045 Albuquerque, New Mexico 87125	(0.48175%)
	Trobaugh Properties 4305 N. Garfield #233 Midland, Texas 79705	(0.12565%)
	Elizabeth Losee 635 Applewood Road Corrales, New Mexico 87048	(.628% or .3768%)
	Anne Losee 10919 Farola Northwest Albuquerque, New Mexico 87114	(.628% or .3768%)
Royalty Interest:	USA	(12.5%)

USA Lease NM-69376

Land Description:

T-22-S, R-32-E, N.M.P.M., Lea Co., NM

Section 27: W/2

containing 320 acres, more or less

Ownership:

Minerals: USA (100%)

Leasehold: Pogo Producing Company (100%)

Overriding Royalty Interest: \*CNG Producing Company (7.5%)

CNG Tower, 1450 Poydras St.

New Orleans, Louisiana 70112-6000

Royalty Interest \*USA (12.5% - sliding scale)

\* This schedule is applicable when production of oil is 50 barrels per well per day or less and gas production does not exceed 5 million cubic feet per well per day (averages on a monthly basis). If production exceeds those levels, royalty increases on a step scale; and CNG's overriding royalty interest decreases to the extent of any royalty increase, down to a minimum of 2%. Pogo Producing Company's interest in production will remain the same unless oil production rises above 130 barrels per well per day, in which event further increases in the United State's royalty will be deducted from Pogo Producing Company's working interest.

USA Lease NM-86149

Land Description:

T-22-S, R-23-E, N.M.P.M., Lea Co., NM

Section 26: W/2

containing 320 acres, more or less

Ownership:

Minerals: USA (100%)

Leasehold: Pogo Producing Company (100%)

Overriding Royalty Interest: None

Royalty Interest: USA (12.5%)

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