

**OFFSET OPERATOR REPORT
AS OF JULY 15, 2002
EDDY COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH - RANGE 27 EAST
SECTION 10: NW/4**

The following information is provided in compliance with my understanding of the instructions provided by Mr. James Bruce to identify the offset operators within a one mile radius of the captioned lands. In review of the surrounding lands, it is believed all mineral rights are being held by production from wells having been completed in various formations.

SECTION 2: LOTS 11, 12, 13, 14, SW/4

**OPERATOR: Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002**

SECTION 3: LOTS 9, 10, 15, 16, SE/4

**OPERATOR: Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002**

SECTION 3: LOTS 11, 12, 13, 14, SW/4

**OPERATOR: Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002**

SECTION 4: SE/4

**OPERATOR: Matador Operating Company
8340 Meadow Road, Suite 150
Dallas, Texas 75231**

OIL CONSERVATION DIVISION

CASE NUMBER _____

EXHIBIT 2

SECTION 4: SW/4

**OPERATOR: ExxonMobil Production Company
P.O. Box 4697
Houston, Texas 77210**

SECTION 4: LOTS 9, 10, 15, 16

**OPERATOR: Merit Energy Company
12222 Merit Drive, Suite 1500
Dallas, Texas 75251**

SECTION 4: LOTS 11, 12, 13, 14

**OPERATOR: Matador Operating Company
8340 Meadow Road, Suite 150
Dallas, Texas 75231**

SECTION 9: N/2

**OPERATOR: Matador Operating Company
8340 Meadow Road, Suite 150
Dallas, Texas 75231**

SECTION 9: SE/4

**OPERATOR: Ray Westall
P.O. Box 4
Loco Hills, New Mexico 88255**

SECTION 9: SW/4

**OPERATOR: Ray Westall
P.O. Box 4
Loco Hills, New Mexico 88255**

SECTION 10: N/2

**OPERATOR: Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002**

SECTION 10: S/2

**OPERATOR: Chi Operating, Inc.
P.O. Box 1799
Midland, Texas 79702**

SECTION 11: NW/4

**OPERATOR: Southwest Royalties, Inc.
P.O. Box 11390
Midland, Texas 79702**

SECTION 11: SW/4

**OPERATOR: Concho Resources, Inc. (now Devon Energy Production Co., LP)
110 W. Louisiana, Suite 410
Midland, Texas 79701**

SECTION 14: NW/4

**OPERATOR: Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102**

SECTION 15: NW/4

**OPERATOR: Bass Enterprises Production Co.
201 Main Street, Suite 2900
Fort Worth, Texas 76102**

SECTION 15: NE/4

**OPERATOR: Mewbourne Oil Company
500 W. Texas Avenue, Suite 1020
Midland, Texas 79701**

SECTION 16: NE/4NE/4

**OPERATOR: Ray Westall
P.O. Box 4
Loco Hills, New Mexico 88255**

SECTION 16: NW/4NE/4

**OPERATOR: Ray Westall
P.O. Box 4
Loco Hills, New Mexico 88255**

SECTION 16: S/2NE/4

**OPERATOR: ExxonMobil Production Company
P.O. Box 4697
Houston, Texas 77210**

**Prepared by: Enick Diffie
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