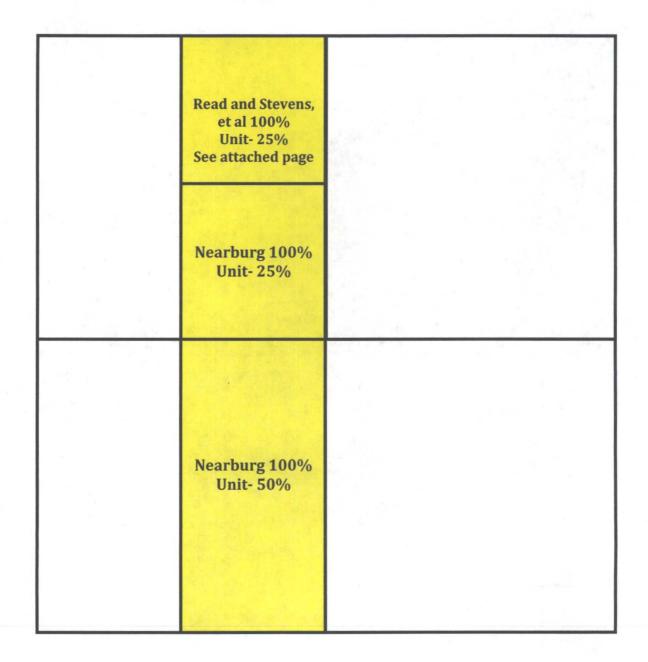


LYNCH 23 PROSPECT Spacing Unit for Laguna Fed Com # 1H Well E/2 W/2 Sec. 23, T-20-S, R-34-E, N.M.P.M. Lea County, New Mexico



Status of Interest Owners in Laguna 23 Fed Com #1H well		
Owner	WI%	Remarks
Nearburg Producing Company	0.000000%	Operator
Nearburg Exploration Company, L.L.C.	62.625000%	Participating
Watson Properties, LLC	NA	Assigned to NEX its 0.125% WI - dismiss from FP Hearing.
Read & Stevens, Inc.	15.246290%	Advised that they do not wish to participate; interested in granting us a Term Assignment. Reviewing.
Cimarex Energy, Co.	12.500000%	Note that Cimarex does not own any leasehold interest in the E/2W/2 of said Sec. 23; however, in connection with their leasehold ownership in the W/2W/2 of said Sec. 23, they have agreed to participate and have signed OA covering W/2 of said Sec. 23.
Rottman Oil Partners	1.875000%	No response.
Bean Family Limited Co.	1.250000%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
New Mexico Western Minerals, Inc.	0.094860%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
HHB Limited Partnership	1.312500%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
Westway Petro Two, A Texas Joint Venture	1.125000%	No response.
CBR Oil Properties, LLC	0.500000%	No response.
H. W. Allen Co.	0.460300%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
Betty Read Young	0.409580%	Reviewing proposal - has not yet made an election.
Union Hill Oil &Gas	0.284580%	No response.
Luna Resources, LLC	NA	Assigned its 0.125% interest to CLM and J&L.
William V. Palmer, LLC	0.125000%	No response.
CLM Production Co.	0.187500%	Have advised that they wish to Particpate; however, have not executed OA.
Elida Gas Group	0.125000%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
Carolyn R. Beall	0.125000%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
Diamond Star Production Co., LLC	0.125000%	No response.
J&L Exploration, LLC	0.187500%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
Dr. Alfred J. Rodriquez	0.113850%	Have advised that they wish to Particpate; however, have not executed OA.
First Century Oil, Inc.	0.094860%	No response.
Merry L. Christiansen	0.094860%	No response.
CSA Petroleum Corp.	0.094860%	No response.
Calvin C. Desmond Trust	0.094860%	No response.
V.C. Desmond Trust	0.094860%	No response.
DHB Partnership	0.094860%	Agreed to participate and has signed OA covering the W/2 of said Sec. 23 - dismiss from FP Hearing.
Jack C. Holland	0.094860%	No response.
Phillip G. Huey	0.094860%	No response.
M.P.S., Inc.	0.094860%	Have advised that they wish to Particpate; however, have not executed OA.
Ralph E. Peacock	0.094860%	No response.
Reserve Management, Inc.	0.094860%	No response.
Glenda L. Farris Richter, Individually and as Trustee of the Donald E. Richter Estate Trust	0.094860%	Has advised of her Husband, Donald E. Richter's passing and desire to have title put in her name alone. Has not yet made an election to participate.
The Sharon Stone Trolinger Revocable Trust	0.094860%	Advised that they do no wish to participate; interested in granting us a Term Assignment of their interest. Reviewing.
Marion V. Turner, Trustee Total	0.094860%	Have advised that they wish to Particpate; however, have not executed OA.