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2491 Whitney Dr. Apt #2
Mountain View, CA 94043
24 March 2006

Oil Conversation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
Attn: Mr. David Catanach

Re: NMOCD Case No. 13687; Application of LCX Energy, LLC for Compulsory
Pooling, Eddy County, New Mexico

Dear Mr. Catanach,

I understand you will hear the reference case above on 30 March 2006. The section of land in question belonged to my grandmother Marie Wiltse King. Upon her death ownership of the land was passed down to her son, my father, Leland Wiltse King. Upon his death the land was passed on to my mother Rosemarie King and when she passed away, I inherited ownership of it.

As I am the taxpayer of record, several times different companies have approached me to lease the mineral rights associated with this land to them for different reasons.

One company wanted to use the land to build a fresh water pond and to lease a road on the land to support an oil well they planned to drill in adjacent property.

The latest company to express interest in this land was LCX Energy, which sent me an offer to lease the land last November.

However, in speaking with the individuals about the two projects listed above, I did not believe they were entirely truthful with me. For example, the company asking permission to build the pond and lease the road told me their offer to me was one in good faith and they really didn't need to pay me anything as they owned the mineral rights to the land and that ownership allowed them to build the pond and use the road with or without my permission. I told the gentleman he was mistaken and I do have ownership of the mineral rights to the land.

The agent for LCX, Mr. Gary W. Stoltz of Midland Texas, sent me the offer to lease the land. I spoke with Mr. Stoltz on at least two occasions. In both conversations, I was told the offer was only a formality and if I did not agree to lease the mineral rights to the land, LCX would appeal to the state of New Mexico to be allowed to take it without my permission. It sounded like a threat to me and I did not like it. (Although I did not believe it at the time, now I must admit it must be true or I would not be writing this letter to you.)

Mr. Catanach, this land has been in my family for years. I do not want anything to happen to it that would pollute or otherwise harm it. That coupled with living in northern California during the "rolling electrical blackouts" that we now know were caused by another large energy company in Texas, Enron, has made me suspicious of large energy companies like LCX.

I can be persuaded to allow valuable minerals to be mined from that land for the good of all parties concerned. But before I sign any agreement, I want to know exactly what that agreement allows the lessee to do. I also want to know that I, or my descendants, will not be liable for any environmental damage done to that land by the lessee. In short, I want to know the company leasing the land is honest and environmentally responsible.

Thank you in advance for hearing my comments.

Respectfully,


William A. King