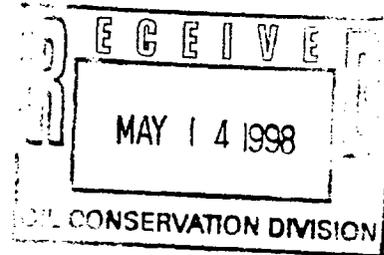


MERRION

OIL & GAS



May 12, 1998

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, New Mexico 87501

Fax (505) 827-1389

**Re: May 14, 1998 Revised Hearing Exhibits
Case Nos. 11962 and 11963
Compulsory Pooling
Farmington C Com 1 and Vine Com 1**

Dear Mr. Stogner:

Enclosed are revised copies of the two Exhibit 5's presented at the April 16, 1998 hearing listing the owners who are still uncommitted in the two wells. Several owners have agreed to join or lease since that hearing date, and those have been deleted from the attached exhibits. However, there remains a large number of uncommitted interests that will have to be force pooled.

Please let me know if additional information is needed.

Sincerely,

A handwritten signature in cursive script that reads "George Sharpe".

George F. Sharpe
Manager - Oil & Gas Investments

xc: Tommy Roberts
Well File

Case 11962
Revised Exhibit 5

Farmington C Com #1 Recompletion

Uncommitted Mineral Interest & Working Interest Owners

12-May-98

Uncommitted Mineral Interest Owners:	Lse. WI	Lse. RI	Gross Ac.	Net Ac.	Part. Factor	WI	NRI	Int. Type
Martinez, Raymond, etux	1.0000	1	0.24	0.1200	0.0007500	0.0007500	0.0007500	WI
Espinosa, Ben & Marcella	1.0000	1	0.24	0.1200	0.0007500	0.0007500	0.0007500	WI
Henderson, Nellie	1.0000	1	0.55	0.5500	0.0034375	0.0034375	0.0034375	WI
Cross, JF & Narcissa	1.0000	1	0.88	0.4400	0.0027500	0.0027500	0.0027500	WI
Lucero, Luis & Rosalita	1.0000	1	0.45	0.4500	0.0028125	0.0028125	0.0028125	WI
Becker, Donald & Gayle	1.0000	1	0.16	0.1600	0.0010000	0.0010000	0.0010000	WI
Torres, Jimmy & Donna	1.0000	1	0.08	0.0800	0.0005000	0.0005000	0.0005000	WI
Condit, Ray & Doris	1.0000	1	0.33	0.3300	0.0020625	0.0020625	0.0020625	WI
Casas, Eleuterio	1.0000	1	0.18	0.1800	0.0011250	0.0011250	0.0011250	WI
Kemper, Alvin & Preddy, Tr.	1.0000	1	0.54	0.5400	0.0033750	0.0033750	0.0033750	WI
Lucero, Rudy & Lorraine	1.0000	1	0.13	0.1300	0.0008125	0.0008125	0.0008125	WI
Munoz, Felix R	1.0000	1	0.08	0.0800	0.0005000	0.0005000	0.0005000	WI
Romero, Clarence & Emma	1.0000	1	0.08	0.0800	0.0005000	0.0005000	0.0005000	WI
NM Dist Cncl Asm of God	1.0000	1	0.11	0.1100	0.0006875	0.0006875	0.0006875	WI
Fiveash, Estella	1.0000	1	0.11	0.1100	0.0006875	0.0006875	0.0006875	WI
Flewellen, Margaret	1.0000	1	0.32	0.3200	0.0020000	0.0020000	0.0020000	WI
Sena, Orlando & Yolando	1.0000	1	0.43	0.4300	0.0026875	0.0026875	0.0026875	WI
City of Farmington	1.0000	1	1.48	1.4800	0.0092500	0.0092500	0.0092500	WI
Steiner Corporation	1.0000	1	3.01	3.0100	0.0188125	0.0188125	0.0188125	WI
Triplett, Wm. Olen, etal	1.0000	1	0.55	0.5500	0.0034375	0.0034375	0.0034375	WI
Sanchez, Nestor & Dora	1.0000	1	0.24	0.2400	0.0015000	0.0015000	0.0015000	WI
Roybal, Richard & Tawanna	1.0000	1	0.02	0.0200	0.0001250	0.0001250	0.0001250	WI
Subtotal:				9.5300			0.0595625	

Case 11962
Revised Exhibit 5

Sheet 2

Uncommitted Working Interest Owners:									
Interest Owner	Lse. WI	Lse. RI	Gross Ac.	Net Ac.	Tract WI/ Part. Factor	WI	NRI	Int. Type	
Diamond Head Properties, LP	0.2500	0.2083333	1.210	-	0.0075625	0.0018906	0.0015754	WI	
Kerr-McGee North Amer OS	0.0833	0.0694444	1.210	1.2100	0.0075625	0.0006302	0.0005251	WI	
Subtotal:				1.2100			0.0021005		
TOTAL:				10.7400			0.0616630		

Case 11963
Revised Exhibit 5

Vine #1

Uncommitted Mineral Interest & Working Interest Owners

12-May-98

Uncommitted Mineral Interest Owners:		Lse. WI	Lse. RI	Gross Ac.	Net Ac.	Part. Factor	WI	NRI	Int. Type
Josue E & Ruth C Serrano	1.0000	1.00000	0.740	0.7400	0.0046250	0.0046250	0.0046250	0.0046250	WI
Joanne Loleit	1.0000	1.00000	0.370	0.3700	0.0023125	0.0023125	0.0023125	0.0023125	WI
Nedda D Lee	1.0000	1.00000	0.150	0.1500	0.0009375	0.0009375	0.0009375	0.0009375	WI
Otis Snooks	1.0000	1.00000	1.560	1.5600	0.0097500	0.0097500	0.0097500	0.0097500	WI
Corrine Ritchey	1.0000	1.00000	0.390	0.3900	0.0024375	0.0024375	0.0024375	0.0024375	WI
Herbert A Gephardt	1.0000	1.00000	0.380	0.3800	0.0023750	0.0023750	0.0023750	0.0023750	WI
GR Hardin	0.5000	1.00000	2.060	1.0300	0.0064375	0.0064375	0.0064375	0.0064375	WI
Eloise Vogel	0.5000	1.00000	2.060	1.0300	0.0064375	0.0064375	0.0064375	0.0064375	WI
W.E.L.	1.0000	1.00000	0.120	0.1200	0.0007500	0.0007500	0.0007500	0.0007500	WI
Hormuzd Rassam	1.0000	1.00000	0.140	0.1400	0.0008750	0.0008750	0.0008750	0.0008750	WI
William & Mary Souther	1.0000	1.00000	0.620	0.6200	0.0038750	0.0038750	0.0038750	0.0038750	WI
WB & Bessie Green	1.0000	1.00000	0.450	0.4500	0.0028125	0.0028125	0.0028125	0.0028125	WI
Gerald L Cochran	1.0000	1.00000	0.140	0.1400	0.0008750	0.0008750	0.0008750	0.0008750	WI
Anna M Perez, etals	1.0000	1.00000	0.360	0.3600	0.0022500	0.0022500	0.0022500	0.0022500	WI
BN Strunk	1.0000	1.00000	2.450	2.4500	0.0153125	0.0153125	0.0153125	0.0153125	WI
John Dent Lamar	0.5000	1.00000	1.000	0.5000	0.0031250	0.0031250	0.0031250	0.0031250	WI
Thomas E Campbell	1.0000	1.00000	1.400	1.4000	0.0087500	0.0087500	0.0087500	0.0087500	WI
Nick Candelaria	1.0000	1.00000	0.210	0.2100	0.0013125	0.0013125	0.0013125	0.0013125	WI
Subtotal:				12.0400	0.0752500	0.0752500	0.0752500	0.0752500	

Case 11765
Revised Exhibit 5

<u>Uncommitted Working Interest Owners:</u>									
Interest Owner	Lse. WI	Lse. RI	Gross Ac.	Net Ac.	Tract WI/ Part. Factor	WI	NRI	Int. Type	
Diamond Head Properties, LP	0.2500	0.20833333	2.230		0.0139375	0.0034844	0.0029036	WI	
Kerr-McGee N.A OS	0.0833	0.0694444	2.230	2.2300	0.0139375	0.0011615	0.0009679	WI	
Subtotal:				2.2300		0.0046459	0.0038715		
Total:				14.2700		0.0798959	0.0791215		