OWNERSHIP

SECTION 1, T-16-S, R-34-E: LOTS 1, 2, 7, 8, 9, 10, 15, 16 FROM THE SURFACE TO THE BASE OF THE MORROW FORMATION, CONTAINING 328.34 ACRES

Mineral Owner	Interest	Net Acres	
Bureau of Land Management	8/8	328.34	•
NM-17444			
Dated 2-1-73			

Leasehold Ownership			
David H. Arrington Oil & Gas Co. P. O. Box 2071 Midland, TX 79702	50.00000%		
Great Western Drilling Company P. O. Box 1659 Midland, TX 79701	32.23800%		
Davoil, Inc. P. O. Box 122269 Ft. Worth, TX 76161	17.76200%		
TOTAL	100.00000%		

2997656_1.DOC

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. <u>12942</u> Exhibit No. 2 Submitted by: <u>David H. Arrington Oil & Gas, Inc.</u> Hearing Date: <u>October 10, 2002</u>