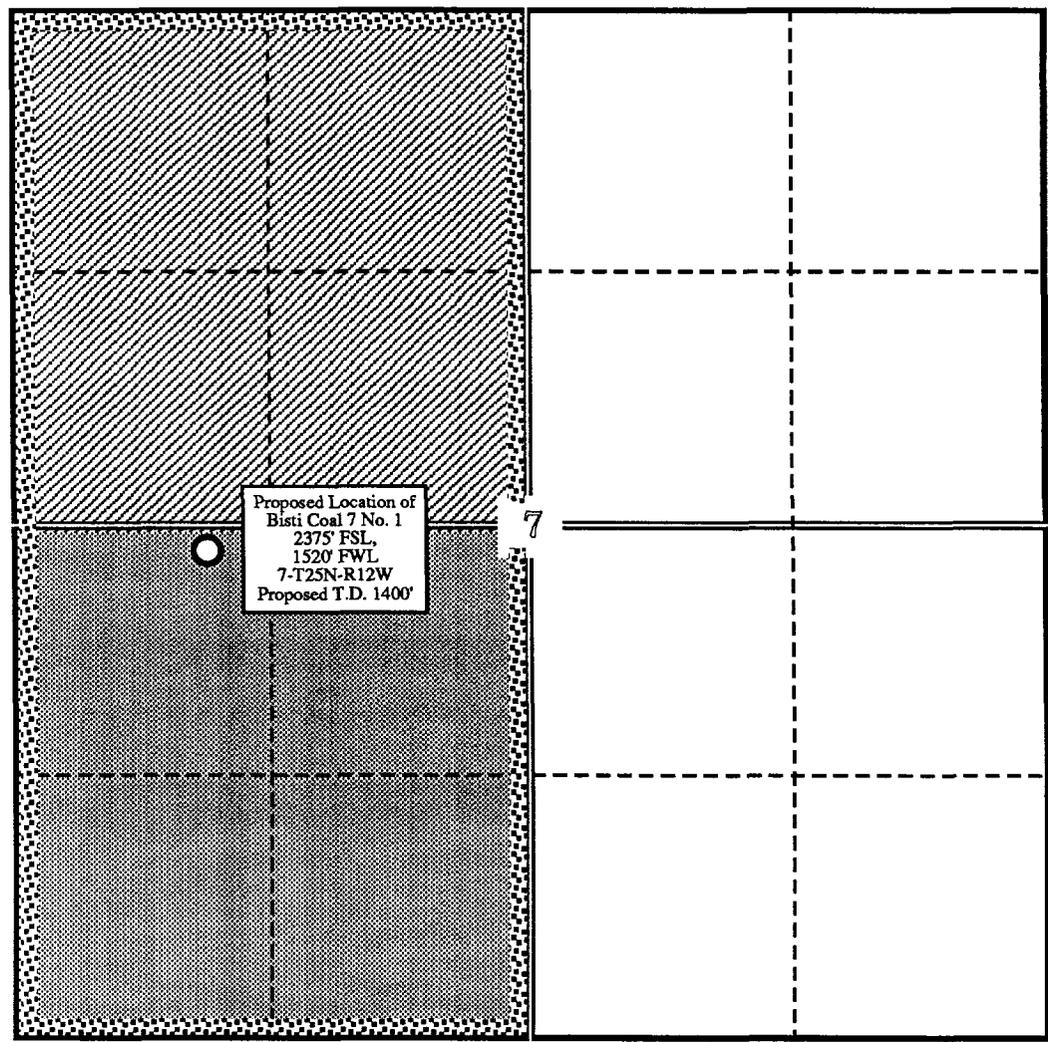


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Insofar as the Fruitland Coal formation is concerned

-  Federal Oil and Gas Lease NM 22444  
(Hixon Development Company, et al 100%)
-  Federal Oil and Gas Lease SF 078056  
(Sun Operating Limited Partnership 100%)
-  Indicates proposed proration unit

Exhibit "1"

Page 1 of 2

Application for Compulsory Pooling

Case No. 9863

March 21, 1990

Bisti Coal 7 No. 1 Well

2375' FSL, 1520' FWL

7-T25N-R12W, N.M.P.M.

San Juan County, New Mexico

Hixon Development Company

Post Office Box 2810

Farmington, New Mexico 87499

505-326-3325



1. Name and address of all parties to be pooled under this application:

	<u>Working Interest in Tract</u>	<u>Percentage of Proration Unit</u>
Hixon Development Company, et al Post Office Box 2810 Farmington, New Mexico 87499	100.00%	50.00%
Sun Operating Limited Partnership 5656 Blackwell Dallas, Texas 75231	100.00%	50.00%

2. Formation and Pool to be pooled:

Fruitland Coal formation  
Basin - Fruitland Coal (Gas) Pool

3. Statement as to whether pooled unit is for gas or oil:

This pooled unit is being formed for the production of gas.

Exhibit "1"

Page 2 of 2

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