

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: December 7, 2007

Re: XTO Energy Inc. (XTO) - 5 for 4 Stock Split

XTO Energy Inc. (XTO) has declared a 5 for 4 stock split payable to shareholders of record on Wednesday, November 28, 2007. Distribution date for the stock split will be Thursday, December 13, 2007. **Ex-distribution date for the stock split will be Friday, December 14, 2007.**

Adjusted Date: **Friday, December 14, 2007**
 Symbol(s): **XTO/OUO/YTN becomes XTJ/XPJ/KVA, respectively**
 Strike Price: **No Change**
 Pos/Exercise Limit: **312,500 contracts until January 2010 expiration; where limits become 250,000 contracts**
 Multiplier: **100 (e.g., Premium of 1.00 = \$100)**
 New Deliverable: **1) 125 XTO Energy Inc. (XTO) Common Shares**

The resulting list of adjusted strike prices and symbols is as shown on the following pages:

XTO Energy Inc. (XTO) (Before 12/14/2007) (100 shrs XTO)					XTO Energy Inc. (XTJ) (Beginning 12/14/2007) (See new deliverable above)				
			Calls	Puts				Calls	Puts
XTO	DEC	50	LJ	XJ	XTJ	DEC	50	LJ	XJ
XTO	DEC	55	LK	XK	XTJ	DEC	55	LK	XK
XTO	DEC	60	LL	XL	XTJ	DEC	60	LL	XL
XTO	DEC	65	LM	XM	XTJ	DEC	65	LM	XM
XTO	DEC	70	LN	XN	XTJ	DEC	70	LN	XN
XTO	DEC	75	LO	XO	XTJ	DEC	75	LO	XO
XTO	DEC	80	LP	XP	XTJ	DEC	80	LP	XP
XTO	JAN	25	AE	ME	XTJ	JAN	25	AE	ME
XTO	JAN	30	AF	MF	XTJ	JAN	30	AF	MF
XTO	JAN	35	AG	MG	XTJ	JAN	35	AG	MG
XTO	JAN	40	AH	MH	XTJ	JAN	40	AH	MH
XTO	JAN	45	AI	MI	XTJ	JAN	45	AI	MI
XTO	JAN	50	AJ	MJ	XTJ	JAN	50	AJ	MJ
XTO	JAN	55	AK	MK	XTJ	JAN	55	AK	MK
XTO	JAN	60	AL	ML	XTJ	JAN	60	AL	ML
XTO	JAN	65	AM	MM	XTJ	JAN	65	AM	MM
XTO	JAN	70	AN	MN	XTJ	JAN	70	AN	MN
XTO	JAN	75	AO	MO	XTJ	JAN	75	AO	MO
XTO	JAN	80	AP	MP	XTJ	JAN	80	AP	MP
XTO	FEB	45	BI	NI	XTJ	FEB	45	BI	NI
XTO	FEB	50	BJ	NJ	XTJ	FEB	50	BJ	NJ
XTO	FEB	55	BK	NK	XTJ	FEB	55	BK	NK
XTO	FEB	60	BL	NL	XTJ	FEB	60	BL	NL
XTO	FEB	65	BM	NM	XTJ	FEB	65	BM	NM

XTO Energy Inc. (XTO) (Before 12/14/2007) (100 shrs XTO)					XTO Energy Inc. (XTJ) (Beginning 12/14/2007) (See new deliverable above)				
			Calls	Puts				Calls	Puts
XTO	FEB	70	BN	NN	XTJ	FEB	70	BN	NN
XTO	FEB	75	BO	NO	XTJ	FEB	75	BO	NO
XTO	FEB	80	BP	NP	XTJ	FEB	80	BP	NP
XTO	FEB	85	BQ	NQ	XTJ	FEB	85	BQ	NQ
XTO	MAY	45	EI	QI	XTJ	MAY	45	EI	QI
XTO	MAY	50	EJ	QJ	XTJ	MAY	50	EJ	QJ
XTO	MAY	55	EK	QK	XTJ	MAY	55	EK	QK
XTO	MAY	60	EL	QL	XTJ	MAY	60	EL	QL
XTO	MAY	65	EM	QM	XTJ	MAY	65	EM	QM
XTO	MAY	70	EN	QN	XTJ	MAY	70	EN	QN
XTO	MAY	75	EO	QO	XTJ	MAY	75	EO	QO
XTO	MAY	80	EP	QP	XTJ	MAY	80	EP	QP
XTO	MAY	85	EQ	QQ	XTJ	MAY	85	EQ	QQ

XTO Energy Inc. - 2009 Leap (OUO) (Before 12/14/2007) (100 shrs XTO)					XTO Energy Inc. - 2009 Leap (XPJ) (Beginning 12/14/2007) (See new deliverable above)				
			Calls	Put				Calls	Put
OUO	JAN	20	AD	MD	XPJ	JAN	20	AD	MD
OUO	JAN	30	AF	MF	XPJ	JAN	30	AF	MF
OUO	JAN	40	AH	MH	XPJ	JAN	40	AH	MH
OUO	JAN	50	AJ	MJ	XPJ	JAN	50	AJ	MJ
OUO	JAN	60	AL	ML	XPJ	JAN	60	AL	ML
OUO	JAN	70	AN	MN	XPJ	JAN	70	AN	MN
OUO	JAN	80	AP	MP	XPJ	JAN	80	AP	MP
OUO	JAN	90	AR	MR	XPJ	JAN	90	AR	MR

XTO Energy Inc. - 2010 Leap (YTN) (Before 12/14/2007) (100 shrs XTO)					XTO Energy Inc. - 2010 Leap (KVA) (Beginning 12/14/2007) (See new deliverable above)				
			Calls	Put				Calls	Put
YTN	JAN	20	AD	MD	KVA	JAN	20	AD	MD
YTN	JAN	30	AF	MF	KVA	JAN	30	AF	MF
YTN	JAN	40	AH	MH	KVA	JAN	40	AH	MH
YTN	JAN	50	AJ	MJ	KVA	JAN	50	AJ	MJ
YTN	JAN	60	AL	ML	KVA	JAN	60	AL	ML
YTN	JAN	70	AN	MN	KVA	JAN	70	AN	MN
YTN	JAN	80	AP	MP	KVA	JAN	80	AP	MP

Any additional XTO series that are added prior to the ex-date will also be adjusted in the manner described above.

The new XTO option contracts representing 100 shares of XTO, will be admitted to trading on Monday, December 17, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

Customers should be advised that Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.