

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0287 |
| Estimated average burden hours per response: | 0.5       |

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |  |   |
|--|--|---|
| 1. Name and Address of Reporting Person*<br><u>Oaktree Capital Group Holdings GP, LLC</u><br><br>(Last) (First) (Middle)<br>333 SOUTH GRAND AVENUE<br>28TH FLOOR<br><br>(Street)<br>LOS ANGELES CA 90071<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>EXCO RESOURCES INC [ XCO ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><br><input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br><br>Officer (give title below) Other (specify below) |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br>11/01/2007                   |   |
| 4. If Amendment, Date of Original Filed (Month/Day/Year)   |  |   |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |       | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price |   |  |   |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |     | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |  |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  | Title  |
| Nonqualified Stock Options                 | \$16.58  | 11/01/2007                           |  | J <sup>(7)</sup>               |   | 37,500 <sup>(7)</sup>  |     | (8)  | 08/29/2017      | Common Stock  | 37,500                                     | \$0  | 12,500 <sup>(9)</sup>                                     | I  | See footnotes <sup>(1)(2)(3)(4)(5)(6)(7)</sup> |

1. Name and Address of Reporting Person\*  
Oaktree Capital Group Holdings GP, LLC  
 (Last) (First) (Middle)  
 333 SOUTH GRAND AVENUE  
 28TH FLOOR  
 (Street)  
 LOS ANGELES CA 90071  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
OAKTREE CAPITAL MANAGEMENT LP  
 (Last) (First) (Middle)  
 333 SOUTH GRAND AVE  
 (Street)  
 LOS ANGELES CA 90071  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Oaktree Capital I, L.P.  
 (Last) (First) (Middle)  
 333 SOUTH GRAND AVENUE  
 28TH FLOOR  
 (Street)  
 LOS ANGELES CA 90071  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
OAKTREE HOLDINGS, LLC

(Last) (First) (Middle)  
333 SOUTH GRAND AVENUE, 28TH FLOOR

(Street)  
LOS ANGELES CA 90071

(City) (State) (Zip)

1. Name and Address of Reporting Person \*  
[OCM HOLDINGS I, LLC](#)

(Last) (First) (Middle)  
333 SOUTH GRAND AVENUE, 28TH FLOOR

(Street)  
LOS ANGELES CA 90071

(City) (State) (Zip)

1. Name and Address of Reporting Person \*  
[OCM EXCO Holdings, LLC](#)

(Last) (First) (Middle)  
C/O OAKTREE CAPITAL MANAGEMENT, LLC  
333 SOUTH GRAND AVENUE, 28TH FLOOR

(Street)  
LOS ANGELES CA 90071

(City) (State) (Zip)

1. Name and Address of Reporting Person \*  
[Oaktree Holdings, Inc.](#)

(Last) (First) (Middle)  
333 SOUTH GRAND AVENUE  
28TH FLOOR

(Street)  
LOS ANGELES CA 90071

(City) (State) (Zip)

1. Name and Address of Reporting Person \*  
[Oaktree Capital Group, LLC](#)

(Last) (First) (Middle)  
333 SOUTH GRAND AVENUE  
28TH FLOOR

(Street)  
LOS ANGELES CA 90071

(City) (State) (Zip)

1. Name and Address of Reporting Person \*  
[Oaktree Capital Group Holdings, L.P.](#)

(Last) (First) (Middle)  
333 SOUTH GRAND AVENUE  
28TH FLOOR

(Street)  
LOS ANGELES CA 90071

(City) (State) (Zip)

**Explanation of Responses:**

1. This Form 4 is being filed by: (i) OCM Principal Opportunities Fund IV Delaware, L.P. ("Fund IV Delaware"); (ii) OCM Principal Opportunities Fund IV Delaware GP Inc. ("Fund IV Delaware GP"), in its capacity as general partner of Fund IV Delaware; (iii) OCM Principal Opportunities Fund IV, L.P. ("Fund IV"), in its capacity as sole shareholder of Fund IV Delaware GP; (iv) OCM Principal Opportunities Fund IV GP, L.P. ("Fund IV GP"); (v) OCM Principal Opportunities Fund IV GP Ltd. ("Fund IV GP Ltd."), in its capacity as general partner of Fund IV GP; (vi) OCM Principal Opportunities Fund III ("Fund III"); (vii) OCM Principal Opportunities Fund IIIA, L.P. ("Fund IIIA"); (viii) OCM Principal Opportunities Fund III GP, LLC ("Fund III GP"), in its capacity as general partner of Fund III and Fund IIIA; and (ix) Oaktree Fund GP I, L.P. ("GP I"), in its capacity as sole shareholder of Fund IV GP Ltd. and the managing member of Fund III GP.

2. This Form 4 is also being filed by: (i) Oaktree Capital I, L.P. ("Capital I"), in its capacity as general partner of GP I; (ii) OCM Holdings I, LLC ("Holdings I"), in its capacity as general partner of Capital I; (xii) Oaktree Holdings, LLC ("Holdings"), in its capacity as managing member of Holdings I; (iii) OCM EXCO Holdings, LLC ("OCM EXCO"); (iv) Oaktree Capital Management, L.P. (formerly Oaktree Capital Management, LLC) ("Oaktree LP"), in its capacity as manager of OCM EXCO; (v) Oaktree Holdings, Inc. ("Holdings Inc."), in its capacity as general partner of Oaktree LP; (vi) Oaktree Capital Group, LLC ("OCG"), in its capacity as managing member of Holdings and the sole shareholder of Holdings Inc.; and (vii) Oaktree Capital Group Holdings, L.P. ("OCGH"), in its capacity as holder of a majority of the voting units of OCG.

3. This Form 4 is also being filed by Oaktree Capital Group Holdings GP, LLC ("OCGH GP"), in its capacity as general partner of OCGH (each of Fund IV Delaware GP, Fund IV, Fund IV GP, Fund IV GP Ltd., Fund III, Fund IIIA, Fund III GP, GP I, Capital I, Holdings I, Holdings, OCM EXCO, Oaktree LP, Holdings Inc., OCG, OCGH and OCGH GP, a "Reporting Person" and collectively, the "Reporting Persons").

4. Information with respect to each Reporting Person is given solely by such Reporting Person, and no such Reporting Person has responsibility for the accuracy or completeness of information supplied by another Reporting

Person. Each Reporting Person, other than Fund IV Delaware, Fund III, Fund IIIA and OCM EXCO with respect to their respective direct holdings, disclaims beneficial ownership the securities reported herein except to the extent of their respective pecuniary interest therein and the filing of this Form 4 shall not be construed as an admission that any such Reporting Person is the beneficial owner of any securities covered by this Form 4.

5. OCGH GP is a limited liability company managed by an executive committee, the members of which are Howard S. Marks, Bruce A. Karsh, Sheldon M. Stone, D. Richard Masson, Larry W. Keele, Stephen A. Kaplan, John B. Frank, David M. Kirchheimer and Kevin L. Clayton (each, an "OCGH GP Member" and collectively, the "OCGH GP Members"). In such capacity, the OCGH GP Members may be deemed indirect beneficial owners of the securities reported herein. Except to the extent of their respective pecuniary interest, each OCGH GP Member disclaims beneficial ownership of the securities reported herein and the filing of this Form 4 shall not be construed as an admission that any such person is the beneficial owner of any securities covered by this Form 4.

6. The Reporting Persons, other than Fund III GP, Fund III and Fund IIIA, may be deemed a director by virtue of their right to elect representatives to serve on the Issuer's board of directors. Rajath Shourie, a Managing Director of Oaktree LP, and Vincent J. Cebula currently serve as directors on the Issuer's board of directors.

7. The stock options represent the right to purchase the underlying securities of the Issuer reported in Table II and were granted to Mr. Cebula on March 31, 2007. Previously, Mr. Cebula held the stock options directly, for the benefit of certain funds managed by Oaktree LP (collectively, the "Oaktree Funds"). Pursuant to the policies of Oaktree LP, Mr. Cebula held the options on behalf of and for the sole benefit of the Oaktree Funds, assigning all economic, pecuniary and voting rights to the Oaktree Funds. In connection with the termination of Mr. Cebula's employment with Oaktree LP, effective as of November 1, 2007, Mr. Cebula no longer holds the stock options on behalf of or for the benefit of the Oaktree Funds, and now retains all economic, pecuniary and voting rights. Mr. Cebula will remain on the Board of Directors following the termination of his employment with Oaktree.

8. The stock options vest in three equal annual installments with the first installment vesting on March 30, 2008.

9. These stock options represent the right to purchase 12,500 shares of Common Stock of the Issuer and were granted to Mr. Cebula on March 31, 2007. Mr. Cebula continues to hold these stock options directly, on behalf of and for the sole benefit of the Oaktree Funds and has assigned all economic, pecuniary and voting rights to the Oaktree Funds. The Reporting Persons, other than the Oaktree Funds, disclaim beneficial ownership of these securities and the filing of this Form 4 shall not be construed as an admission that such persons are beneficial owners of any securities covered by this Form 4, except to the extent of any indirect pecuniary interest.

#### Remarks:

This Form 4 is being filed in two parts due to the large number of reporting persons. This filing is filed by the Reporting Persons listed in Footnotes 2 and 3, above. An accompanying filing is filed, on the date hereof, by the Reporting Persons listed in Footnote 1, above. Both filings relate to the same series of transactions described above.

[See Signatures included in Exhibit 99.1](#) [11/01/2007](#)

\*\* Signature of Reporting Person                      Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**

This Statement on Form 4 is filed jointly by the Reporting Persons listed below. The principal business address of each of these Reporting Persons is 333 South Grand Avenue, 28th Fl., Los Angeles, CA 90071.

Name of Designated Filer: OAKTREE CAPITAL GROUP HOLDINGS GP, LLC

Date of Event Requiring Statement: NOVEMBER 1, 2007

Issuer Name and Ticker or Trading Symbol: XCO

OAKTREE CAPITAL I, L.P.

By: OCM Holdings I, LLC  
Its: General Partner

By: /s/ Todd Molz  
-----  
Name: Todd Molz  
Title: Vice President and Secretary

By: /s/ Lisa Arakaki  
-----  
Name: Lisa Arakaki  
Title: Vice President and Assistant Secretary

OCM HOLDINGS I, LLC

By: /s/ Todd Molz  
-----  
Name: Todd Molz  
Title: Vice President and Secretary

By: /s/ Lisa Arakaki  
-----  
Name: Lisa Arakaki  
Title: Vice President and Assistant Secretary

OAKTREE HOLDINGS, LLC

By: Oaktree Capital Group, LLC  
Its: Managing Member

By: /s/ Todd Molz  
-----  
Name: Todd Molz  
Title: Senior Vice President and Secretary

By: /s/ Lisa Arakaki  
-----  
Name: Lisa Arakaki  
Title: Vice President and Assistant Secretary

OCM EXCO HOLDINGS, LLC

By: Oaktree Capital Management, L.P.,  
Its: Manager

By: /s/ Todd Molz  
-----  
Name: Todd Molz  
Title: Managing Director and General Counsel

By: /s/ Lisa Arakaki

-----  
Name: Lisa Arakaki  
Title: Senior Vice President, Legal

OAKTREE CAPITAL MANAGEMENT, L.P.

By: /s/ Todd Molz  
-----

Name: Todd Molz  
Title: Managing Director and General Counsel

By: /s/ Lisa Arakaki  
-----

Name: Lisa Arakaki  
Title: Senior Vice President, Legal

OAKTREE HOLDINGS, INC.

By: /s/ Todd Molz  
-----

Name: Todd Molz  
Title: Sole Director, Vice President and Secretary

By: /s/ Lisa Arakaki  
-----

Name: Lisa Arakaki  
Title: Vice President and Assistant Secretary

OAKTREE CAPITAL GROUP, LLC

By: /s/ Todd Molz  
-----

Name: Todd Molz  
Title: Senior Vice President and Secretary

By: /s/ Lisa Arakaki  
-----

Name: Lisa Arakaki  
Title: Vice President and Assistant Secretary

OAKTREE CAPITAL GROUP HOLDINGS, L.P.

By: Oaktree Capital Group Holdings GP, LLC  
Its: General Partner

By: /s/ Todd Molz  
-----  
Name: Todd Molz  
Title: Managing Director and General Counsel

By: /s/ Richard Ting  
-----  
Name: Richard Ting  
Title: Senior Vice President

OAKTREE CAPITAL GROUP HOLDINGS GP, LLC

By: /s/ Todd Molz  
-----  
Name: Todd Molz  
Title: Managing Director and General Counsel

By: /s/ Richard Ting  
-----  
Name: Richard Ting  
Title: Senior Vice President