

C104ARreport

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District 1  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-145  
Permit 24494

Change of Operator

Previous Operator Information

OGRID: 20989  
Name: SMITH & MARRS INC  
Address: PO BOX 863  
Address:  
City, State, Zip: KERMIT, TX 79745

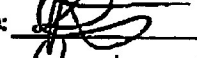
New Operator Information

Effective Date: 4/1/2006

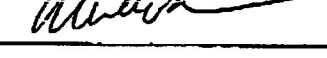
OGRID: 160825  
Name: BC OPERATING, INC.  
Address: 731 WEST WADLEY  
Address: BUILDING L, SUITE 200  
City, State, Zip: MIDLAND, TX 79705

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Previous Operator

Signature:   
Printed Name: Rickup Smith  
Title: President  
Date: 3-3-2006 Phone: 432-586-3076

New Operator

Signature:   
Printed Name: Mike Black  
Title: President  
Date: 3/14/06 Phone: (432) 684-9696

NMOCD Approval

Electronic Signature: Chris Williams, District 1  
Date: October 26, 2006

### ChangeOp Comments

OGRID: [20989] SMITH & MARRS INC  
Permit Number: 24494  
Permit Type: ChangeOp

Created By	Comment	Comment Date
DPHILLIPS	Additional bonding applies. Transfer cannot be completed until bonding received. Please call me with your fax so I can send you the list as each well has to have an individual bond. (505) 476-3461 - Dorothy Phillips	3/15/2006