

District J
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 62854



Change of Operator

Previous Operator Information

OGRID: 10461
Name: QUAY VALLEY INC.
Address: PO BOX 51470
Address:
City, State, Zip: MIDLAND, TX 79710

New Operator Information

Effective Date: 11/1/2007
OGRID: 20077
Name: SAHARA OPERATING CO
Address: PO BOX 4130
Address:
City, State, Zip: MIDLAND, TX 79704

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: Stella Swanson
Title: President
Date: 10/23/07 Phone: (432) 687-4900

New Operator

Signature:
Printed Name: Robert McAlpine
Title: President
Date: 10/23/07 Phone: (432) 697-0967

NMOCD Approval

Electronic Signature: Paul Kautz, District 1
Date: October 26, 2007