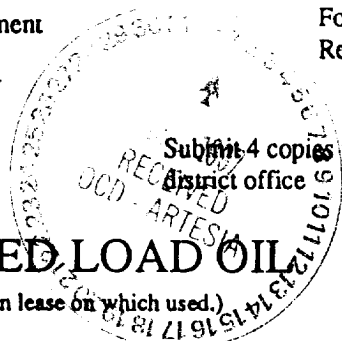


DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-126
Revised 4-1-91



PERMIT TO TRANSPORT RECOVERED LOAD OIL

(NOTE: Required only when load oil was obtained from source other than lease on which used.)
(See Rule 508, 1104, and 1126)

RECOVERED LOAD OIL

BK EXPLORATION CORP.

| | | | | |
|---|----------------------|---|--|-----------------------|
| OPERATOR BK Exploration Corp. | | OGRID 2433 | ADDRESS 810 S. Cincinnati, Suite 208 Tulsa, OK 74119 | |
| LEASE NAME Jasso "22" | WELL NO. 2 | POOL 40350 Loving Brushy Canyon, East | | COUNTY Eddy |
| LOCATION UL P Sec. 22 T-23-S R-28-E | | TRANSPORTER Amoco Pipeline ICT | | |
| | | OGRID 138648 | | |

API # 30-015-28728

BBLs LOAD OIL RECOVERED

| |
|-----------|
| 35 |
|-----------|

502 N. West Ave.
Levelland, TX 79336-3914

SOURCE OF LOAD OIL

PURCHASED OIL

| | |
|---|-------------------------------------|
| BARRELS PURCHASED 35 | DATE PURCHASED 11-18-1997 |
| PURCHASED FROM Highlands Gas Corp. | OGRID 139633 |
| ADDRESS 8085 S. Chester St., #114 Englewood, CO 80112 | |

| | |
|-------------------|----------------|
| BARRELS PURCHASED | DATE PURCHASED |
| PURCHASED FROM | ADDRESS |

OIL TRANSFERRED FROM ANOTHER LEASE OR POOL

| | | |
|---|-----------------------------|------------------------------|
| BARRELS TRANSFERRED | POOL FROM WHICH TRANSFERRED | LEASE FROM WHICH TRANSFERRED |
| DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F) | | |

| | | |
|---|-----------------------------|------------------------------|
| BARRELS TRANSFERRED | POOL FROM WHICH TRANSFERRED | LEASE FROM WHICH TRANSFERRED |
| DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F) | | |

| | | |
|---|-----------------------------|------------------------------|
| BARRELS TRANSFERRED | POOL FROM WHICH TRANSFERRED | LEASE FROM WHICH TRANSFERRED |
| DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F) | | |

OPERATOR: I hereby certify the information above is true and complete to best of my knowledge and belief

Signature Brad D. Burks

Printed Name Brad D. Burks, VP-Operations

& Title

Date 11-25-1997 Telephone No. 918-582-3855

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY TIM W. GUM

Title: DISTRICT II SUPERVISOR

Date: DEC 5 1997