

District II
1301 W. Grand Ave., Artesia, NM
88210

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

Form C-104A
Permit 1446

Change of Operator

Previous Operator Information

OGRID: 194930
Name: CABAL ENERGY CORPORATION
Address: 415 West Wall
Address: Suite 1700
City, State, Zip: Midland, TX 79701

New Operator Information

Effective Date: 09/01/2004
OGRID: 212226
Name: PRESTON EXPLORATION, LLC
Address: 1717 Woodstead Court
Address: Suite 207
City, State, Zip: The Woodlands, TX 77380

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: Randell K. Ford
Printed Name: Randell K. Ford
Title: President
Date: 9-1-04 Phone: 432-682-0440

New Operator

Signature: Ronald G. Gentzler
Printed Name: Ronald G. Gentzler
Title: General Manager
Date: 9-1-04 Phone: 281-367-8697

NMOCD Approval

Electronic Signature: Tim Gum, District II
Date: September 10, 2004