

District II
1301 W. Grand Ave., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

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 42811

Change of Operator

Previous Operator Information

OGRID: 165290
Name: ARKLAND PRODUCING CO INC
Address: 400 NORTH MARIENFELD
Address: STE 100
City, State, Zip: MIDLAND, TX 79701

New Operator Information

Effective Date: 12/1/2006
OGRID: 18100
Name: PRIMERO OPERATING INC
Address: PO BOX 1433
Address:
City, State, Zip: ROSWELL, NM 88202

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: Susan Brantley
Printed Name: Susan Brantley
Title: Agent for Arkland Producing
Date: 12-12-06 Phone: (432) 682-2128

New Operator

Signature: [Signature]
Printed Name: Phelps White
Title: President
Date: 12-5-06 Phone: 505-622-1001

NMOCD Approval

Electronic Signature: Carmen Reno, District 2
Date: December 12, 2006