

02/07/2007 WED 16:58 FAX 1 915 697 3400 DAKOTA RESOURCES INC.

002/003

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H F BOLES

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C104AReport

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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

Form C-145
Permit 46277

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Change of Operator

Previous Operator Information

OGRID: 5691
Name: DAKOTA RESOURCES INC (I)
Address: 911 N MIDKIFF RD
Address:
City, State, Zip: MIDLAND, TX 79701

New Operator Information

Effective Date: 3/1/2007
OGRID: 241214
Name: PALISADES ASSET HOLDING CO., LLC
Address: 223 WEST WALL
Address: SUITE 825
City, State, Zip: MIDLAND, TX 79701

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: Sam Morpheu
Printed Name: Sam Morpheu
Title: Vice President
Date: 2/7/07 Phone: 432 697-3420

New Operator

Signature: Don Rockhurst
Printed Name: Don Rockhurst
Title: Managing Member
Date: 2/6/07 Phone: 432-686-7159

NMOCD ApprovalElectronic Signature: Chris Williams, District 1Date: March 01, 2007