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 70020

Change of Operator

| Previous Operator Information | | New Operator Information Effective Date: 11/01/2007 | |
|-------------------------------|-----------------------------|--|--|
| OGRID: | 230426 | OGRID: | 017733 |
| Name: Address: Address: | JID Resources P.O. Box 3422 | Name: Address: | Pierce Production Company, LLC P.O. Box 2079 |
| | Midland, TX 79702 | City, State, Zip: | Midland, TX 79702 |

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 | | New Operator | |
|-------------------|--------------------------------|--------------|--------------------------------|
| Signature: | Dan M. Lamare | Signature: | Bill Fring |
| Printed | 3 | Printed | |
| Name: | Dan M. Leonard | Name: | Bill Pierce |
| Title: | Member/ Menajer | Title: | Vice President-Engineering |
| Date: | 11/01/2007 Phone: 432-682-3712 | Date: | 11/01/2007 Phone: 432-570-6009 |

NMOCD Approval
Electronic Signature: Paul Kautz, District 1

Date: February 21, 2008