

ASSOCIATES - ATTORNEYS AT LAW

1304 WEST BROADWAY PLACE

(505) 393-0567

HOBBS, NEW MEXICO 88240

GLEN L. HOUSTON, J.D.

February 9, 2005

Mr. David Brooks
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

Re: SWR Operating wells

Dear Mr. Brooks:

Attached are copies of the Operator's Copy of Forms 3160-5 approved by the Bureau of Land Management on February 8, 2005 on the following unplugged wells in Eddy County, New Mexico:

#1 Featherstone, Sec. 5, T-19-S, R-31-E, Unit H;
#1 Featherstone, Sec. 5, T-19-S, R-31-E, Unit K;
#2 Featherstone, Sec. 5, T-19-S, R-31-E, Unit A;
#4 Featherstone, Sec. 5, T-19-S, R-31-E, Unit J; and
#1 Y Donnelly Pan American, Sec. 5, T-19S, R-31-E, Unit G.

For your further information, on 2/2/05 the first 155 barrels of oil was sold from the #4 Featherstone.

Yours truly,

Glen L. Houston

Enclosure

cc:

Mr. Paul Slayton, Slayton Resources, Inc.
Mr. Doug Hurl, Occidnetal Petroleum, Ltd.

OPERATOR'S COPY
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COPY

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well Oil Well Gas Well Other

2. Name of Operator **TOM R. CONE**

3a. Address
1304 WEST BROADWAY PLACE HOBBS N.M.

3b. Phone No. (include area code)
505-393-0567

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FNL & 330' FEL SEC. 5, T 19S, R 31 E

5. Lease Serial No.
LC 069033

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. **A**
FEATHERSTONE NO.# 1

9. API Well No.
3001505737

10. Field and Pool, or Exploratory Area
SHUGART (Y.SR.Q.G.)

11. County or Parish, State
EDDY, NEW MWXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE IN OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

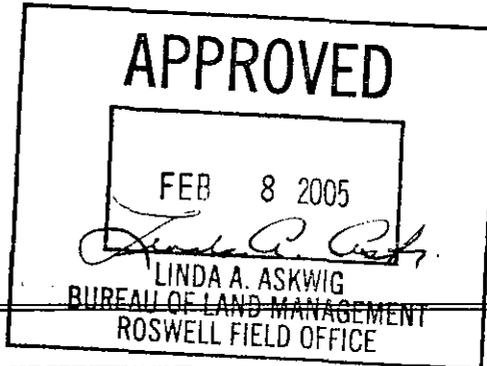
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHANGE IN OPERATOR FROM SOUTHWEST ROYALTIES INC. PO BOX 11390 MIDLAND TEXAS 79702 TO TOM R. CONE 1304 WEST BROAD PLACE HOBBS N.M. 88240

BOND NO. NM 2196

NEW OPERATOR NO. 18852

EFFECTIVE OCT 20 2004



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

RICK L HOUSTON

Title **SUPERINTENDENT**

Signature

Ricky L Houston

Date

10/20/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED FEB 09 2005

UNITED STATES DEPT OF INTERIOR
BUREAU OF LAND MANAGEMENT
BOND ABSTRACT

Run Date: 10/26/04
Page 1 of 1

BLM BOND NO: NM2196
DOCUMENT ID: 19-0130-10162-93-6
CASE TYPE: 310434 O&G BOND ALL LANDS

DISPOSITION: ACCEPTED

NAME AND ADDRESS OF BOND PARTIES

B86052296 BONDED PRINCIPAL
CONE TOM R
PO BOX 778
JAY OK 74346

S84001590001 SURETY
UNITED STATES FIDELITY AND
GUARANTY COMPANY
385 WASHINGTON ST
SAINT PAUL MN 55102

SERIAL NUMBER(s):

NMLC 0034711, NMLC 0059954, NMLC 0064158, NMNM 015019, NMNM 017775, NMNM 0024881

BOND AREA: STATEWIDE
TYPE OF LAND: FEDERAL-ALL RIGHTS
BOND TYPE: SURETY

STATES COVERED: NM
BOND AMOUNT \$25,000

BONDED ACTIVITY/PURPOSE

COMMODITY(IES)

GENERAL LSE/DRILLING

OIL & GAS L

ACTION CODE	ACTION DATE	ACTION TAKEN	ACTION REMARKS	PENDING
468	06/23/1993	BOND FILED		NM94364
469	06/25/1993	BOND ACCEPTED	EFF 06/23/1993	
974	06/25/1993	AUTOMATED RECORD VERIF	BCO/JCV	
974	01/20/2003	AUTOMATED RECORD VERIF	KAT	
472	05/16/2003	BOND TERMINATION RQSTD		NM93000
152	06/17/2003	REPORT REQUESTED		
153	10/10/2003	REPORT RECEIVED		
476	10/14/2003	BOND TERMINATION DENIED	NM060, NM070 DENIED	

GENERAL REMARKS

LINE # REMARK

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OPERATOR'S COPY

COPY

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **TOM R. CONE**

3a. Address
1304 WEST BROADWAY PLACE HOBBS N.M.

3b. Phone No. (include area code)
505-393-0567

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FNL & 330' FEL SEC. 5, T 19S, R 31 E

5. Lease Serial No.
LC 069033

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No
FEATHERSTONE NO.# 2

9. API Well No.
3001505740

10. Field and Pool, or Exploratory Area
SHUGART (Y.SR.Q.G.)

11. County or Parish, State
EDDY, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other CHANGE IN OPERATOR

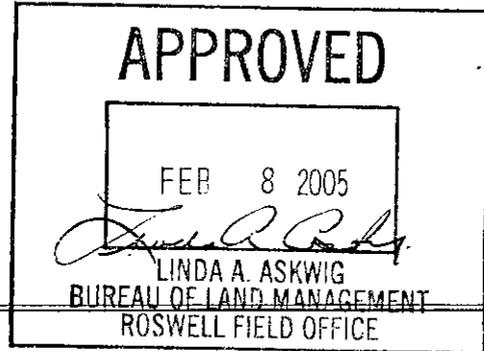
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CHANGE IN OPERATOR FROM SOUTHWEST ROYALTIES INC. PO BOX 11390 MIDLAND TEXAS 79702 TO TOM R. CONE 1304 WEST BROAD PLACE HOBBS N.M. 88240

BOND NO.
NM 2196

NEW OPERATOR NO. 18852

EFFECTIVE OCT 20 2004



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

RICK L HOUSTON

Title **SUPERINTENDENT**

Signature

Rick L Houston

Date

10/20/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

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(Instructions on page 2)

RECEIVED FEB 09 2005

UNITED STATES DEPT OF INTERIOR

BUREAU OF LAND MANAGEMENT

BOND ABSTRACT

BLM BOND NO: NM2196
DOCUMENT ID: 19-0130-10162-93-6
CASE TYPE: 310434 O&G BOND ALL LANDS

DISPOSITION: ACCEPTED

NAME AND ADDRESS OF BOND PARTIES

B86052296 BONDED PRINCIPAL
CONE TOM R
PO BOX 778
JAY OK 74346

S84001590001 SURETY
UNITED STATES FIDELITY AND
GUARANTY COMPANY
385 WASHINGTON ST
SAINT PAUL MN 55102

SERIAL NUMBER(s):

NMLC 0034711, NMLC 0059954, NMLC 0064158, NMNM 015019, NMNM 017775, NMNM 0024881

BOND AREA: STATEWIDE
TYPE OF LAND: FEDERAL-ALL RIGHTS
BOND TYPE: SURETY

STATES COVERED: NM
BOND AMOUNT:\$25,000

BONDED ACTIVITY/PURPOSE

COMMODITY(IES)

GENERAL LSE/DRILLING

OIL & GAS L

ACTION CODE	ACTION DATE	ACTION TAKEN	ACTION REMARKS	PENDING
468	06/23/1993	BOND FILED		NM94364
469	06/25/1993	BOND ACCEPTED	EFF 06/23/1993	
974	06/25/1993	AUTOMATED RECORD VERIF	BCO/JCV	
974	01/20/2003	AUTOMATED RECORD VERIF	KAT	
472	05/16/2003	BOND TERMINATION RQSTD		NM93000
152	06/17/2003	REPORT REQUESTED		
153	10/10/2003	REPORT RECEIVED		
476	10/14/2003	BOND TERMINATION DENIED	NM060,NM070 DENIED	

GENERAL REMARKS

LINE # REMARK

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

COPY
FORM APPROVED
BY BLM-104-0184
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **TOM R. CONE**

3a. Address
1304 WEST BROADWAY PLACE HOBBS N.M.

3b. Phone No. (include area code)
505-393-0567

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FSL & 330' FSL SEC. 5, T 19S, R 31 E
2310' W

5. Lease Serial No.
LC 069033

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. *B*
FEATHERSTONE NO.# 1

9. API Well No.
3001505744

10. Field and Pool, or Exploratory Area
SHUGART (Y.SR.Q.G.)

11. County or Parish, State
EDDY, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE IN OPERATOR	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHANGE IN OPERATOR FROM SOUTHWEST ROYALTIES INC. PO BOX 11390 MIDLAND TEXAS 79702 TO TOM R. CONE 1304 WEST BROAD PLACE HOBBS N.M. 88240
 BOND NO. **NM 2196** NEW OPERATOR NO. 18852 EFFECTIVE OCT 20 2004

APPROVED

FEB 8 2005

Linda A. Askwig
LINDA A. ASKWIG
 BUREAU OF LAND MANAGEMENT
 ROSWELL FIELD OFFICE

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)
RICK L HOUSTON

Signature *Rick L Houston*

Title **SUPERINTENDENT**

Date **10/20/2004**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

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(Instructions on page 2)

UNITED STATES DEPT OF INTERIOR
BUREAU OF LAND MANAGEMENT
BOND ABSTRACT

BLM BOND NO: NM2196
DOCUMENT ID: 19-0130-10162-93-6
CASE TYPE: 310434 O&G BOND ALL LANDS

DISPOSITION: ACCEPTED

NAME AND ADDRESS OF BOND PARTIES

B86052296 BONDED PRINCIPAL
CONE TOM R
PO BOX 778
JAY OK 74346

S84001590001 SURETY
UNITED STATES FIDELITY AND
GUARANTY COMPANY
385 WASHINGTON ST
SAINT PAUL MN 55102

SERIAL NUMBER(s):

NMLC 0034711, NMLC 0059954, NMLC 0064158, NMNM 015019, NMNM 017775, NMNM 0024881

BOND AREA: STATEWIDE
TYPE OF LAND: FEDERAL-ALL RIGHTS
BOND TYPE: SURETY

STATES COVERED: NM
BOND AMOUNT: \$25,000

BONDED ACTIVITY/PURPOSE

COMMODITY(IES)

GENERAL LSE/DRILLING

OIL & GAS

ACTION CODE	ACTION DATE	ACTION TAKEN	ACTION REMARKS	PENDING
468	06/23/1993	BOND FILED		NM94364
469	06/25/1993	BOND ACCEPTED	EFF 06/23/1993	
974	06/25/1993	AUTOMATED RECORD VERIF	BCO/JCV	
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472	05/16/2003	BOND TERMINATION RQSTD		NM93000
152	06/17/2003	REPORT REQUESTED		
153	10/10/2003	REPORT RECEIVED		
476	10/14/2003	BOND TERMINATION DENIED	NM060,NM070 DENIED	

GENERAL REMARKS

LINE # REMARK

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

COPY

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **TOM R. CONE**

3a. Address
1304 WEST BROADWAY PLACE HOBBS N.M.

3b. Phone No. (include area code)
505-393-0567

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FSL & 2210' FEL SEC. 5, T 19S, R 31 E
2310'

5. Lease Serial No.
LC 069033

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. *6*
FEATHERSTONE NO.# 4

9. API Well No.
3001505747

10. Field and Pool, or Exploratory Area
SHUGART (Y.SR.Q.G.)

11. County or Parish, State
EDDY, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE IN OPERATOR
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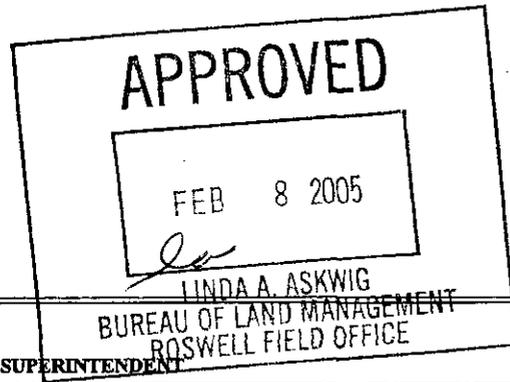
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BOND NO.
NM 2196

NEW OPERATOR NO. 18852

EFFECTIVE OCT 20 2004



14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

RICK L HOUSTON

Title **SUPERINTENDENT**

Signature

Rick L Houston

Date

10/20/2004

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BUREAU OF LAND MANAGEMENT

BOND ABSTRACT

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 DOCUMENT ID: 19-0130-10162-93-6
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NAME AND ADDRESS OF BOND PARTIES

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 CONE TOM R
 PO BOX 778
 JAY OK 74346

S84001590001 SURETY
 UNITED STATES FIDELITY AND
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 BOND TYPE: SURETY

STATES COVERED: NM
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BONDED ACTIVITY/PURPOSE

COMMODITY(IES)

GENERAL LSE/DRILLING

OIL & GAS L

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GENERAL REMARKS

LINE # REMARK

COPY

Form 3160-5
(April 2004)

OPERATOR'S COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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5. Lease Serial No.
NM09003-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
~~DONNELLY PAN AMERICAN 144~~ 1 X

9. API Well No.
3001505739

10. Field and Pool, or Exploratory Area
SHUGART (Y.SR.Q.G.)

11. County or Parish, State
EDDY, NEW MEXICO

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
TOM R. CONE

3a. Address
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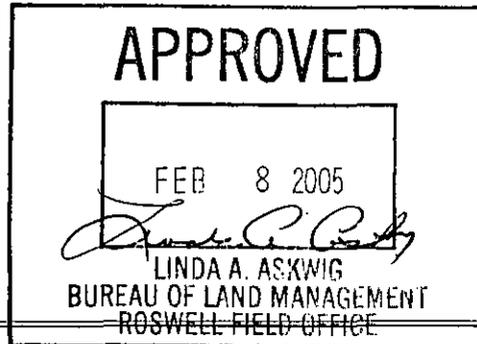
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC.5, UNIT G, 2310' FNL, 2260' FEL, TS. 19*S, R.31E, EDDY CO.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHANGE IN OPERATOR FROM SWR OPERATING CO. TO TOM R. CONE 1304 WEST BROADWAY PLACE, HOBBS, NEW MEXICO 88240 OPERATOR NO. 188152 BOND NO. NM2196 EFFECTIVE DATE 10-27-2004



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **RICKY L. HOUSTON** Title **FIELD SUPERINTENDENT**

Signature *Ricky L. Houston* Date **10/27/2004**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED FEB 09 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

FORM APPROVED
OMB NO. 1004-0034
Expires October 31, 2004
Lease Serial No.
NM-09003-B
Lease Effective Date
(Anniversary Date)
April 1, 1953
New Serial No.

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

RECEIVED JAN 24 2005

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

Ricky L. Houston
P. O. Box 454
City, State, ZIP Code Hobbs, New Mexico 88241

*If more than one assignee, check here and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) Oil and Gas Lease, or Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) Record Title, Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description <small>Use additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.</small>	Percent of Interest			Percent of Overriding Royalty Similar Interests	
	Owne	Conveyed	Retained	Reserved	Previously reserved or conveyed
Township 19 South, Range 31 East Section 5: Lot 2 and the SW 1/4NE/4 containing 79.60 acres, more or less Eddy County, New Mexico	100%	100%	-0-	5.00%	5.00%

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE
UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

Assignment approved for above (app) land;

Assignment approved for stacked land description

Assignment approved effective _____

Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

(Title) (Date)

(Continued on reverse)

RECEIVED NOV 01 2004
RECEIVED JAN 24 2005

PART B - CERTIFICATION AND REQUEST FOR APPROVAL

- The Assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.
- Assignor certifies as follows: (a) Assignor is a citizen of the United States, an association of such citizens, a municipality, or a corporation organized under the laws of the United States or of any State or in, or by, or through, the assignment of NFR-A lease, assignee is a citizen, national, or resident alien of the United States or association of such citizens, nationals, resident aliens or citizens, public or municipal corporations; (b) Assignor is not considered a minor under the laws of the State in which the lands covered by this assignment are located; (c) Assignor's chargeable interests, direct and indirect, in such public domain and acquired lands separately in the same State, do not exceed 244,000 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District; in Alaska of which up to 200,000 acres may be in oil and gas leases in accordance with the Mineral Leasing Act of 1920, or 31,200 acres in any one State if this is a geothermal lease; (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Chaps 3100 or 3200) and the authorizing Act; (e) Assignor is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(a) of the Mineral Leasing Act; and (f) Assignor is not in violation of sec. 41 of the Mineral Leasing Act.
- Assignor's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 27th day of October 2004 Executed this _____ day of _____ 20 04

Occidental Permian
Limited Partnership
(Please type or print)
Assignor _____
or _____
Attorney-in-Fact
Stephen S Flynn
(Signature)
P. O. Box 50250
(Assignor's Address)
Midland TX 79710
(City) (State) (Zip Code)
Assignee
Ricky L. Houston
(Signature)
Ricky L. Houston
(Signature)

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Do not compute the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0034), Bureau Information Collection Compliance Officer, (703-430), 1949 C Street, N.W., Mail Stop 401 LA, Washington, D.C. 20240.

Title 19 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations or to any matter within its jurisdiction.

UNITED STATES DEPT OF INTERIOR

BUREAU OF LAND MANAGEMENT

BOND ABSTRACT

BLM BOND NO: NM2196
 DOCUMENT ID: 19-0130-10162-93-8
 CASE TYPE: 310434 O&G BOND ALL LANDS

DISPOSITION: ACCEPTED

NAME AND ADDRESS OF BOND PARTIES

B86052296 BONDED PRINCIPAL
 CONE TOM R
 PO BOX 778
 JAY OK 74346

S84001590001 SURETY
 UNITED STATES FIDELITY AND
 GUARANTY COMPANY
 385 WASHINGTON ST
 SAINT PAUL MN 55102

SERIAL NUMBER(s):

NMLC 0034711, NMLC 0059954, NMLC 0064158, NMNM 015019, NMNM 017775, NMNM 0024881

BOND AREA: STATEWIDE
 TYPE OF LAND: FEDERAL-ALL RIGHTS
 BOND TYPE: SURETY

STATES COVERED: NM
 BOND AMOUNT \$25,000

BONDED ACTIVITY/PURPOSE

COMMODITY(IES)

GENERAL LSE/DRILLING

OIL & GAS L

ACTION CODE	ACTION DATE	ACTION TAKEN	ACTION REMARKS	PENDING
468	06/23/1993	BOND FILED		NM94364
469	06/25/1993	BOND ACCEPTED	EFF 06/23/1993	
974	06/25/1993	AUTOMATED RECORD VERIF	BCO/JCV	
974	01/20/2003	AUTOMATED RECORD VERIF	KAT	
472	05/16/2003	BOND TERMINATION RQSTD		NM93000
152	06/17/2003	REPORT REQUESTED		
153	10/10/2003	REPORT RECEIVED		
476	10/14/2003	BOND TERMINATION DENIED	NM060, NM070 DENIED	

GENERAL REMARKS

LINE # REMARK

PLAINS MARKETING, L.P.
P.O. BOX 4648 HOUSTON, TEXAS 77210

Petroleum Crude Oil, 3, UN 1267, P.G.1.

EST. BARRELS
IN TRANSIT

PLAINS MARKETING
HAND GAUGED

155

OPERATOR TOM, R, CONE

LEASE NAME FEATHER, STONE, FED

LEASE #/ORIGIN

123427

525000717

TANK/METER NUMBER	TANK SIZE	EST. BARRELS
112549	210	155
MONTH DAY YEAR	CONTROL NUMBER	
TICKET DATE 2/02/05	2500071	
TANK GAUGE OIL LEVEL FEET INCHES FR.IN.	TANK TEMP.	BS & W LEVEL FEET INCHES FR.IN.
FIRST 12-04-0/4	58.0	00-10-0/4
TANK GAUGE OIL LEVEL FEET INCHES FR.IN.	TANK TEMP.	BS & W LEVEL FEET INCHES FR.IN.
SECOND 01-03-0/4	58.0	00-10-0/4
BS & W	OBS. QTY.	OBS. TEMP.
1.00	34.0	58.0
DRIVER/GAUGER NO.	TRUCK NO.	TRAILER NO.
85585	4729	2696
STATION DESTINATION	STATION NAME	
N0091	LOCO HILLS TRUCK	
FINAL	SPLIT LOAD	CHECK METER NO.
NO	NO	
METER READINGS		SEAL NUMBERS
END		OFF 5395
METER READINGS		SEAL NUMBERS
START		ON 1405724

REMARKS: 1405724

LC,069033 5,19,31,EDDY,CO

OPENING TIME	DRIVER/GAUGER
12:34 P	<i>[Signature]</i>
CLOSING TIME	OPERATOR'S WITNESS
2/02/05	
CLOSING TIME	DRIVER/GAUGER
12:58 P	<i>[Signature]</i>
	OPERATOR'S WITNESS