

RECEIVED

2008 JUN 23 PM 2 59

Thelbert D. Rice

Mary L. Rice

3107 La Tierra Dr.

Roswell, N.M. 88201

Home 575 627-0845

Lou's Cell 575 626-2848

Dale's Cell 575 840-9476

Daleandlou_rice@yahoo.com

June 19, 2008

New Mexico Energy, Minerals and Natural Resources Department

Dear Sirs,

In response to your NOTICE OF HEARING dated June 13, 2008

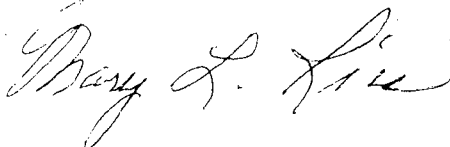
Case No. 14137. Calvin F. Tennison past away on November 29, 1999, Alma Tennison, his spouse and heir passed away on April 19, 2000. At this time the heirs formed the LLC, Sisters. The two sisters, Mary L. Rice and Patsy Rich were the majority owners, with the children or in case of a death of a child the grand child or children received shares. Attached is a list of the names and known addresses of all the members. The lawyer that helped the sisters form the LLC Was Tom Martin of Carlsbad, NM 88220. He was supposed to have in formed every party at That time of the passing of Calvin and Alma.

Bill Rich was the operator of the business, and unbeknownst to the other members subsequently Ran the business into a greater debt than the partners could pay. Also Patsy Rich passed away on January 29 2008. At this time Bill Rich said that he had nothing more to do with Sisters LLC. And had all correspondence forwarded to Mary Rice in Roswell although he did inherit his spouses share.

Master Energy Resources Inc. of 10556 Westland Dr. Odessa, TX 79764, offered to purchase all Of Sisters LLC interest. A copy of this assignment is enclosed. Master Energy has assured us that a plugging bond has been acquired. And at this time they are working to bring the wells into compliance. A contact for Master energy is Steve Davis 1-432-349-3297.

If There is any other information required please let us know.

Sincerely,



Mary L. Rice

Majority share holder

Sisters LLC

Members of Sisters, LLC

Mary Lou Rice
3107 La Tierra
Roswell, NM 88201

Lisa Rueffer
825 E. Berrendo Rd.
Roswell, NM 88201

Josh Sherwood
3107 La Tierra
Roswell, NM 88201

The Rich Family Trust
2401 Martin Lane
Carlsbad, NM 88220

Diana Yeager
5103 Old Cavern Hwy
Carlsbad, NM 88220

Melissa Swagerty
HCR 63, Box 324
Raton, NM 87740

Shane McLeod
1282 Bedrock, NE
Palm Bay, FL 32907

Shawna Yates
3201 W. Loop 289, Apt 180
Lubbock, TX 79407

ASSIGNMENT OF OIL AND GAS LEASES AND INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT Sisters L.L.C. 2401 Martin Lane, Carlsbad, New Mexico 88220 hereafter called

Assigner, for and in consideration of the sum of Ten Dollars (\$10.00) and other goods and services the

Receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer, sell and convey

Unto Master Energy Resources Inc. of 10556 Westland Dr. Odessa, Texas 79764 as Assignee

100% of it's ownership and working Interests and all plugging liability and operatorship of any and all

of it's leases, overriding royalty interests, and any and all of it's related records, data, and information

wherever located, in the Oil and Gas Leases, lands, wells, and interests therein, as set out in Exhibit "A"

hereby attached to, and by referenced a part of this Assignment, said leases, lands, wells and interest therein

being located in Eddy and Lea Counties, State of New México, together with the rights incident thereto,

the personal property thereon, appurtenant thereto, or used or obtained in connection with said Oil and Gas

Leases, said Leases and Assignments being free of all debts, liens, encumbrances, and obligations, etc,

Whatsoever and Assignor hereby indemnifies the Assignee, its heirs, successors and assigns, from any and

All such obligations of Assignor or from any and all such claims or other claims to any interests in said Oil

And gas leases or assignments as a result of Assignor's actions or omissions as regarding any such claims

or to said leases and or assignments.

The Assignor herein states that it does not, is not, and shall not reserve unto itself, its heirs,

successors or assigns any interests in any or all present wells or subsequent wells in and of the Oil and Gas

leases described in Exhibit "A".

Assignor hereby agrees that the Assignee, its heirs, successors and assigns, have no duty or obligation

whatsoever to develop or operate the leased premises for oil, gas or other hydrocarbons not otherwise

imposed by the provisions of the original Oil and Gas Leases.

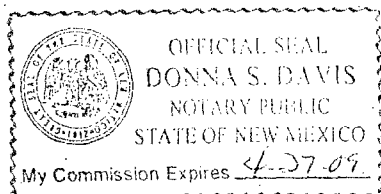
It is understood by Assignor and Assignee that the intent of this assignment is to assign one hundred

percent (100%) of all of Sisters L.L.C. leases and original interests in the Leases described

in Exhibit "A" except for 2.65% of the Gulf Federal #3

For the same consideration, the Assignor covenants with the Assignee its heirs successors and assigns That the Assignor is the lawful owner of and has good title to the interests above assigned in and to said Oil and Gas leases, estates, rights, and property; that such interests are free and clear from all liens, encumbrances or adverse claims: that Assignor shall indemnify, it heirs, successors and assigns, from any and all claims or other adverse claims as a result of Assignor's past, present, or future actions pertaining to said leases that said Leases are valid and subsisting leases in the lands covered thereby: that all rentals and royalties, fees and taxes due under or due to said Oil and Gas or Assignors actions up to the time of this assignment have been paid or shall be paid in full by Assignor: and all conditions necessary to keep the leases in full force and effect have been duly performed.

Executed this 15th of May, 2008



Notary Donna S. Davis

Mary L. Rice
Mary Lou Rice a duly authorized Agent
for and an officer of, as, and for Assignor,
Sisters L.L.C.

EXHIBIT "A"

Page 1 of 1

Attached to and made part of that
Assignment of Oil and Gas Interests

Sisters L.L.C. 2401 Martin Lane, Carlsbad, New Mexico 88220

And

Master Energy Resources Inc. 10556 Westland Dr. Odessa, Texas 79764

Dated 12th day of May, 2008

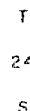
Assignment Oil and Gas Leases, Wells, Data, Records, and Information:

Assignment of Oil and Gas Interests being all such interests of Assignor in the following described wells recorded in Eddy County and Lea County New Mexico.

Well #1---R&B Federal #1	Sec 17.	T25S. R30E API #30-015-04753	Eddy County
Well #2---Superior State #1	Sec 8.	T25S. R30E API #30-015-04745	Eddy County
Well #3---Superior State #2	Sec 8.	T30S. R26E API #30-015-10181	Eddy County
Well #4---Hanagan State #1	Sec 8.	T25S.R30E API #30-015-04746	Eddy County
Well #5--- Gulf Federal #3	Sec 13.	T26S.R29E API #30-015-25265	Eddy County
Well #6---Malaga Unit #1	Sec 7.	T24S.R29E API #30-015-03701	Lea County
Well #7---Malaga Unit #2	Sec.7.	T24S.R29E API #30-015-03699	Lea County
Well #8---Malaga Unit #3	Sec7.	T24S.R29E API# 30-015-03695	Lea County
Well #9---Malaga #2 SWD	Sec7.	T24S.R29E API# 30-015-03702	Lea County

This Assignment includes all of Sisters L.L.C. and its associates, affiliates, and interests owner's interests in and 100% of its and their working interests and any and all of its retained royalty and minerals interests in any and all of the royalty and minerals interests and any and all of the oil and gas leases in Section 17, Section 8, Section 13, Section 7 and all of Sisters L.L.C. and it's associates, affiliates, and interests owner's interests whatsoever in any and all wells upon such section, and any and all of any of it's or their working interests, revenue interests, and royalty interests in and of the leases as described and in and of all of it's or their rights to any wells thereof and all the wells described as, R & B Federal #1, Superior State #1, Superior State #2, Hanagan State #1, Gulf Federal #3, Malaga Unit #1, Malaga Unit #2, Malaga Unit #3 Malaga Unit #2 SWD(Injection Well), all described sections being of Eddy and Lea Counties, New México, and all relevant data, records or information may be located, and all such interests being free of all debts, liens, encumbrances, and obligations, ect. whatsoever.

R - 29 - E



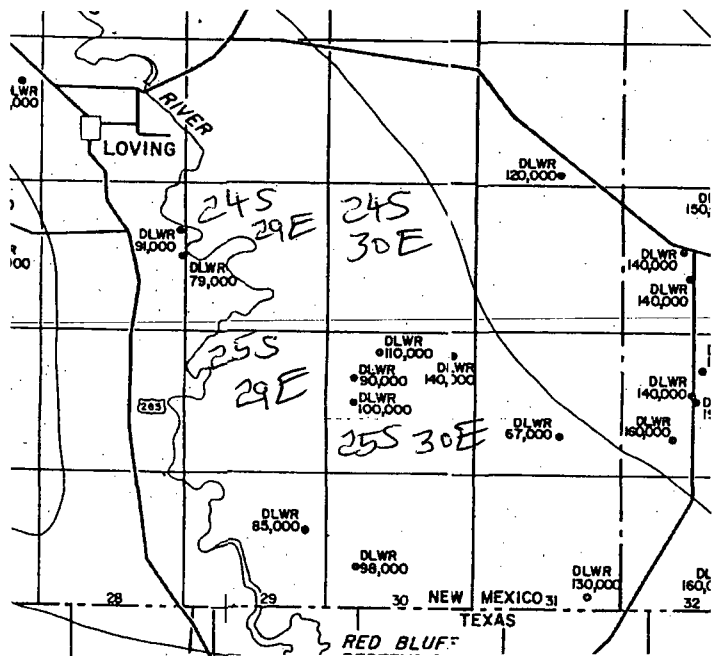
SALINA, KANSAS 67401

EDDY COUNTY, NEW MEXICO

0 500 1000 2000 3000 4000

SCALE - FEET

0455, 2-29-64



RECEIVED
JUL 25 1951

CONSERVATION COMMISSION
Santa Fe, New Mexico

Form C-104

REQUEST FOR (OIL)-(GAS) ALLOWABLE

Oil Cons. Comm.

It is necessary that this form be submitted by the operator before an initial allowable will be assigned to any completed oil or gas well. Form C-110 (Certificate of Compliance and Authorization to Transport Oil) will not be approved until Form C-104 is filed with the Commission. Form C-104 is to be submitted in triplicate to the office to which Form C-101 was sent. Two copies will be retained there and the other submitted to the Proration Office, Hobbs, New Mexico. The allowable will be assigned effective 7:00 a.m. on date of completion, provided completion report is filed during month of completion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 P.B. at 60° Fahrenheit.

Carlsbad, New Mexico
Place

July 22, 1951
Date

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Southern California Petroleum Corp.-Valley Land Company
Company or Operator Lease Well No. 1 in SS- 1/4 NE- 1/4

section 7, T. 24-S, R. 29-E, N.M.P.M. Wilcox Pool Edgy County

Please indicate location: Elevation 2962 Spudded 3-19-51 Completed 6-19-51

Total Depth 2779 P.B.
Top Oil/Gas Pay 2774 Top Water Pay 2774
Initial Production Test: Pump Flow 60 (ROPD OR CLIFT GAS PER DAY)
Based on 60 Bbls. Oil in 24 Hrs. 0 Mins.
Method of Test (Pitot, gauge, prover, meter run): Orange
Size of choke in inches 1/2"
Tubing (Size) 2" REG 2728 Feet
Pressures: Tubing 200 Casing 550
Gas/Oil Ratio Casing Perforations:
See other side

Unit letter: F

Casing & Cementing Record

Size Feet Sax

SEE OTHER SIDE		

Acid Record:

Gals to
Gals to
Gals to

Show of Oil, Gas and water

S/ Water (120-125)
S/ (800-825)
S/ (900-925)
S/ (1000-1025)
S/ OIL (2774-2779)
S/ Water (2774)
S/

Shooting Record.

Qts to
Qts to
Qts to

Natural Production Test: 23 Pumping Flowing
Test after acid or shot: Pumping 96 Flowing

Please indicate below formation Tops (in conformance with geographical section of state):

Southeastern New Mexico

Northwestern New Mexico

T. Anhy
T. Salt 280
B. Salt 280
T. Yates
T. 7 Rivers
T. Queen
T. Grayburg
T. San Andres
T. Glorieta
T. Drinkard
T. Tubbs
T. Abo
T. Penn
T. Miss

T. Devonian
T. Silurian
T. Montoya
T. Simpson
T. McKee
T. Ellenburger
T. Gr. Wash
T. Granite 2688
T. Delaware Sand 2725
T.
T.
T.

T. Ojo Alamo
T. Kirtland-Fruitland
T. Farmington
T. Pictured Cliffs
T. Cliff House
T. Menefee
T. Point Lookout
T. Mancos
T. Dakota
T. Morrison
T. Penn
T.

(Please supply required information on reverse side of form)

NEW MEXICO OIL CONSERVATION COMMISSION

MISCELLANEOUS REPORTS ON WELLS

Submit this report in triplicate to the Oil Conservation Commission District Office within ten days after the work specified is completed. It should be signed and filed as a report on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF	X	REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL			

June 14, 1951

Date

Carlsbad, New Mexico

Place

Following is a report on the work done and the results obtained under the heading noted above at the.....

Southern Calif. Petroleum Corp. Valley Land Co. Well No. 1 in the
Company or Operator Lease

N 1/4 of Sec. 7, T. 24 S., R. 29 E., N. M. P. M.,

Wildcat Pool Eddy County.

The dates of this work were as follows: June 1, 2, 4 & 5, 1951

Notice of intention to do the work was (was not) submitted on Form C-102 on....., 19....., and approval of the proposed plan was ~~was not~~ obtained. (Cross out incorrect words.)

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Ran 27'6" of 5 1/2" 15.5# J-55 casing with Baker Whirl Float shoe and Baffle collar at shoe joint. Landed at 2728'. Installed from 5 1/2" to 3" Borden head. Using Halliburton equipment ran 50 sax E-Z mix mud, 2 sax Aquagel, 2 sax lime, followed by 30.5 sax Trinity inferno slo-set cement. Pumped top plug to baffle collar. After 12 hrs. ran Halliburton temperature survey. Log showed approximate top of cement behind 5 1/2" casing to be at 2150'. Drilled out cement plug to 2717' after 72 hrs. Using 600' water cushion shot 3-1/2" holes with McCullough gun perforator at 2715-2717. Tested for water shut-off. Results of test were satisfactory. Ran pressure test on 5 1/2" casing with fresh water. Test was satisfactory. Applied 700 psi. Test time-- 30 min.

Witnessed by Robert W. Mannon So. Calif. Petroleum Corp. Engineer
Name Company Title

APPROVED:
OIL CONSERVATION COMMISSION

Name

OIL AND GAS INSPECTOR

Title

JUL 6 1951

Date

I hereby swear or affirm that the information given above is true and correct.

Name Robert W. Mannon

Position Petroleum Engineer

Representing So. Calif. Petroleum Corp.

Address

Crawford hotel

SANTA FE
ARTESIA
HOBBS
OPERATOR

NEW MEXICO OIL CONSERVATION COMMISSION

MISCELLANEOUS REPORTS ON WELLS

RECEIVED
JUN 11 1952

Submit this report in triplicate to the Oil Conservation Commission District Office within ten days after the work specified is completed. It should be signed and filed as a report on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF	X	REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL			

6/7/52

Midland, Texas

Date

Place

Following is a report on the work done and the results obtained under the heading noted above at the.....

SOUTHERN CALIFORNIA PETROLEUM CORP. **Valley Land** Well No. **2** in the
Company or Operator Lease
SW 1/4 SW 1/4 of Sec. **7**, T. **8N**, R. **29E**, N. M. P. M.,
Malaga (Ext) Pool **Eddy** County.

The dates of this work were as follows: **6/3 - 6/6/52**

Notice of intention to do the work was (was not) submitted on Form C-102 on **6/4**, 19 **52**
 and approval of the proposed plan was (was not) obtained. (Cross out incorrect words.)

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Cemented 5 1/2" casing at 2727' with 200 sax on 6/3/52.
 On 6/6/52 drilled out shoe with cable tools and bail
 tested 1 hour. No entry. Water shut-off okay.

(Note: depth of shoe corrected from 2725' to 2727')

Witnessed by **A. T. Mannon, Jr.** **Southern California Pet. Corp. Pet. Engr.**
Name Company Title

APPROVED:
OIL CONSERVATION COMMISSION

A. T. Mannon
Name

OIL AND GAS INSPECTOR

Title

JUN 12 1952

Date

19

I hereby swear or affirm that the information given above is true and correct.

Name *Paul L. Hayes*
 Position **Division Geologist**

Representing **Southern California Pet. Corp.**
Company or OperatorAddress **Box 172, Midland, Texas**

NEW MEXICO OIL CONSERVATION COMMISSION

MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106)

RECEIVED
JAN 19 1961
O. C. C.
DISTRICT OFFICE

Name of Company FRED POOL DRILLING COMPANY				Address c/o Oil Reports Box 763 Hobbs, N.M.			
Lense T. P. State		Well No. 1	Unit Letter G	Section 8	Township 25S	Range 30E	
Date Work Performed Oct. 15-Jan 15, 61		Pool Undesignated		County Eddy			
THIS IS A REPORT OF: (Check appropriate block)							
<input checked="" type="checkbox"/> Beginning Drilling Operations <input type="checkbox"/> Casing Test and Cement Job <input type="checkbox"/> Other (Explain):							
<input type="checkbox"/> Plugging <input type="checkbox"/> Remedial Work							
Detailed account of work done, nature and quantity of materials used, and results obtained. Spudded well 10/15/60 Ran and set 642' 36# 10-3/4" mudded with heavy mud Well shut down on account of bad weather Ran and mudded 24# 7" at 2185' Drilling at 3775' 1/16/61 to cement 4-1/2" On January 23, 1961, cemented with 660 sacks. Cement circulated to surface.							
Witnessed by			Position		Company		
FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY							
ORIGINAL WELL DATA							
D F Elev.		T D		P B T D		Producing Interval	
Completion Date		Tubing Diameter		Tubing Depth		Oil String Diameter	
Oil String Depth		Perforated Interval(s)		Open Hole Interval		Producing Formation(s)	
RESULTS OF WORKOVER							
Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD	
Before Workover							
After Workover							
OIL CONSERVATION COMMISSION				I hereby certify that the information given above is true and complete to the best of my knowledge.			
Approved by <i>ML Armstrong</i>				Name Agent Fred Pool			
Title OIL AND GAS INSPECTOR				Position <i>Cover</i>			
Date APR 11 1961				Company FRED POOL DRILLING COMPANY			