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601 N. Marienfeld, Suite #508 Midland, Texas 79701 (915) 682-4429 Fax (915) 682-4325

January 10, 2002

Saba Energy of Texas 3000 Wilcrest, STE 220 Houston, Texas 77042

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RE: McKittrick 30 Fed #1 Change of Operator

We recently purchased this property from Grecka at auction. According to the NMOCD, the change of operations from Saba to Grecka was never completed. Therefore I have attached a C-104A Change of Operator form with your company listed as operator. Please sign the two attached copies, and send to the NMOCD office in Artesia, NM. The BLM shows Grecka to be the operator of record, so I don't think we'll have any problems with the Federal changes. Feel free to call if you have any questions.

Alther

Robert McNaughton Operations Engineer robertm@naguss.com

attachments