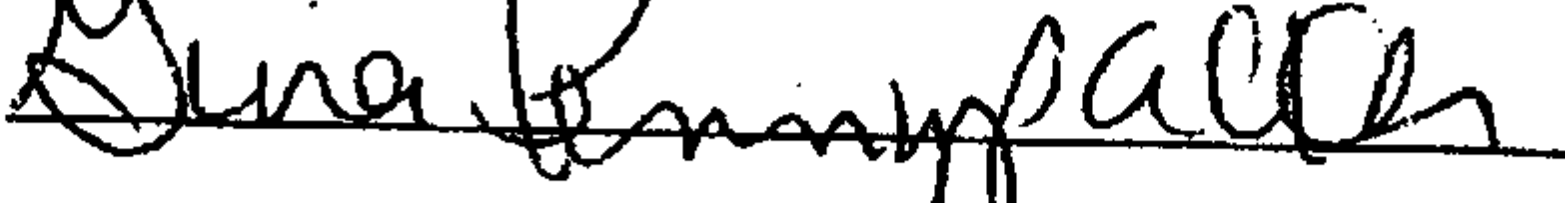



District I1625 N. French Dr., Hobbs, NM
88240**State of New Mexico**
Energy, Minerals and Natural ResourcesForm C-104A
Permit 1163**Oil Conservation Division****1220 S. St Francis Dr.****Santa Fe, NM 87505****Change of Operator****Previous Operator Information**OGRID: 163123
Name: CORTEZ OPERATING COMPANY
Address: 777 Main Street
Address: Suite 1400
City, State, Zip: Fort Worth, TX 76102**New Operator Information**Effective Date: 04/14/2004
OGRID: 189951
Name: ENCORE OPERATING LP
Address: 777 Mail Street
Address: Suite 1400
City, State, Zip: Fort Worth, TX 76102

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 OperatorSignature: 
Printed Name: Gina Pennypacker
Title: Regulatory Analyst
Date: 7/7/04 Phone: 817-877-9955**New Operator**Signature: 
Printed Name: Ann Burdette Wiley
Title: Sr. Regulatory Analyst
Date: 7/7/04 Phone: 817-877-9955**NMOCD Approval**

Electronic Signature: Chris Williams, District I

Date: July 13, 2004