

District I
1621 N. French Dr., Hobbs, NM 88240
Phone:(505) 383-6161 Fax:(505) 383-0720
District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

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 32587

Change of Operator

Previous Operator Information

OGRID: 193003
Name: SDG RESOURCES, L.P.
Address: 1008 WEST BROADWAY
Address:
City, State, Zip: HOBBS, NM 88240

New Operator Information

Effective Date: 8/1/2006
OGRID: 241401
Name: TORCH ENERGY SERVICES, INC.
Address: 1221 LAMAR SUITE 1175
Address:
City, State, Zip: HOUSTON, TX 77010

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

Signature: Rick J Cooksey
Printed Name: Rick J Cooksey
Title: Corporate Controller
Date: 8/14/2006 Phone: 970 249-4855

New Operator

Signature: Randy Ziebart
Printed Name: Randy Ziebart
Title: Vice President
Date: 8-14-06 Phone: 713-756-1600

NMOCD Approval

Electronic Signature: Paul Kautz, District 1

Electronic Signature: Carmen Reno, District 2

Date: August 15, 2006

ChangeOp Comments

OGRID: [193003] SDG RESOURCES, L.P.

Permit Number: 32597

Permit Type: ChangeOp

Created By	Comment	Comment Date
CRENO	Rejected per Jane Prouty so operator can submit a new C-145 hard copy to match eletronic permit number.	8/11/2006