

NOV-15 2006 09:18 AM

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C104AReport

District III
1000 Rio Blanco Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

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 41599

Change of Operator

Previous Operator Information

OGRID: 192351
Name: V & R PRODUCTION, INC
Address: COUNTY RD 1490 #28
Address:
City, State, Zip: LA PLATA, NM 87418

New Operator Information

Effective Date: 11/1/2006
OGRID: 244993
Name: SUSAN SULLIVAN DBA LIZARD
Address: PRODUCTION
Address: 634 CR 4990
City, State, Zip: BLOOMFIELD, NM 87413

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: Randy K. Thille
Printed Name: Randy K. Thille
Title: Vice President
Date: 11-15-06 Phone: 505-326-1738

New Operator

Signature: Susan Sullivan
Printed Name: Susan Sullivan
Title: owner
Date: 11-15-06 Phone: 505-632-9126

NMOCD Approval

Electronic Signature: Steve Hayden, District 3Date: December 11, 2006

ChangeOp Comments

OGRID: [192351] V & R PRODUCTION, INC
Permit Number: 41599
Permit Type: ChangeOp

Created By	Comment	Comment Date
dibradshaw	Operator Change is being rejected, because a \$50,000 blanket bond is required.	11/16/2006
KSHARP	Single well bond not attached to Sangre De Cristo well #4. Add bonding or revise list	11/21/2006
DPHILLIPS	You are purchasing three wells that are on state and fee lands and therefore require bonding as you are a new operator and this is a new operator change, you must submit three individual Letter of credit to cover the wells or a blanket Letter of Credit for \$50,000. If you go with individual letters of credit the amounts are as follows: Sangre de Cristo No. 3 - \$5,959 Neilson NO. 1 - \$9,556 Hatch No. 1 - \$10,174 You have submitted a Letter of Credit in the amount of \$26,000 from Citizens bank of Farmington. I will be sending it back as it is on the wrong form. Please visit our web site a	11/27/2006