District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (505) 393-6161 Fax: (505) 393-0720

State of New Mexico Energy, Minerals and Natural Resources

Form C-145 Permit 58253

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505



Change of Operator

Dravious Unerator Into manon		New Operator Information		
		Effective Date:	7/1/2007	
OGRID:	25575	OGRID:	20989	
	YATES PETROLEUM CORPORATION	_Name:	SMITH & MARRS INC	
Address:	105 S 4TH ST	Address:	PO BOX 863	
Address: City, State, Zip:	ARTESIA, NM 88210	_City, State, Zip:	KERMIT , TX 79745	

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		New Operator	
Rand Holdenson	Signature	: 1 frai finnings/legent	
	Printed	<u> </u>	
Randy G. Patterson	Name:	Jerry Jennings	
Vice President of Exploration and Production	Title:	agent	
8/8/07 Phone: 505-748-1471	Date:	8 2-2107 Phone: 432-586-3676	
	Randy G. Patterson Vice President of Exploration and Production	Randy G. Patterson Vice President of Exploration and Production Title:	

NMOCD Approval

Electronic Signature: Paul Kautz, District 1

Date: <u>August 08, 2007</u>

ChangeOp Comments

OGRID: [25575] YATES PETROLEUM CORPORATION

Permit Number: 58253
Permit Type: ChangeOp

Created By	Comment	Comment Date
JJENNINGS	Will fax copy of C-145 to Hobbs District and mail original signature.	8 <i>/</i> 2 <i>/</i> 2007
DPHILLIPS	Gail Macquesten confirmed that the additioanl bonding does apply for the wells not producing. Please go to View Forms button and you can see which wells and the amounts. I cannot approve the change until bonding is received. Questions? Call me 505-476-3461.	8/3/2007