361-777-2163 5753965181 p.2 p.1

<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 Phonet (505) 393-6161 Fami (505) 393-0720

State of New Mexico Energy, Minerals and Natural Resources

Form C-145 Permit 69765

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

Change of Operator

| Previous Operator Information | | New Operator Information | | |
|-------------------------------|---------------------------|--------------------------|----------------------|--|
| | | Effective Date: | 12 1 2007 | |
| OGRID: | 249351 | OGRID: | 11095 | |
| Nane: | LODESTONE OPERATING, INC. | Name: | J& J SERVICE INC | |
| Address: | 120 HAWTHORN PL | Address: | PO Box 324 | |
| Address: | | Address: | | |
| City. State, Zip: | PORTLAND . TX 78374 | City. State. Zip: | Lovington . NM 88260 | |
| | | | | |

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 Ope | erator |
|------------------|----------|---------------------|------------------|---------------------------|
| Signature | 1 /sef | m/2 | Signature | Jerry 2 Carlist |
| Printed Name: | DAVIO | M, TEAVIS | Printed Name: | JERRY T CARLISIE |
| Title: | PRESI | 0 = ×7 | Title: | PRESIDENT |
| Date: | 2/18/08 | Phone: 361-877-70 7 | Date: | 2/18/08Phone: 575 396 250 |

NMOCD Approval

Electronic Signature: Chris Williams, District 1

Date: February 18, 2008