

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 80682

AUG 21 2008
OCD-ARTESIA

Change of Operator

Previous Operator Information

OGRID: 25575
Name: YATES PETROLEUM CORPORATION
Address: 105 S 4TH ST
Address:
City, State, Zip: ARTESIA, NM 88210

New Operator Information

Effective Date: 6/1/2008
OGRID: 9572
Name: H & S OIL LLC
Address: PO BOX 186
Address:
City, State, Zip: ARTESIA, NM 88211

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: [Signature]
Printed Name: John A. Yates
Title: President
Date: 8/20/08 Phone: 575-748-1471

New Operator

Signature: [Signature]
Printed Name: Herbert R. Spencer
Title: Owner
Date: 8/20/08 Phone: 746-6658

Benson Deep AAS Federal #1
Section 34-T18S-R30E
Eddy County, New Mexico
API#30-015-23371

NMOCD Approval

Electronic Signature: Carmen Reno, District 2
Date: August 20, 2008