

District II
1301 W. Grand Ave., Artesia, NM
88210

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-104A
Permit 10251

Change of Operator

Previous Operator Information

OGRID: 21986
Name: SWR OPERATING CO
Address:
Address:
City, State, Zip:

New Operator Information

Effective Date: 02/01/2005
OGRID: 188152
Name: TOM R. CONE
Address: 1304 W Broadway
Address:
City, State, Zip: Hobbs, NM 88240

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:
Printed Name:
Title:
Date: Phone:

New Operator

Signature: Dwayne Burris
Printed Name: DWAYNE BURRIS
Title: Treasurer
Date: 4/22/05 Phone: 505 393-0567

TIM W. GUM
DISTRICT II SUPERVISOR

APR 22 2005

30-015-05744

From Operator: SWR OPERATING CO, 21986
Wells Selected for Transfer, Permit 10251
Permit Status: DRAFT

OCD District: Artesia

Property	Well Name	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name	Last Prod/Inj
9850	DONNELLY PAN AMERICAN #001Y	F	G-5 -198-31E	G	30-015-05739	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	12/87
9851	FEATHERSTONE #001	F	K-5 -198-31E	K	30-015-05744	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	06/88
	FEATHERSTONE #002	F	I-5 -198-31E	A	30-015-05740	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	06/88
	FEATHERSTONE #004	F	J-5 -198-31E	J	30-015-05747	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	09/79

NEW PROPERTY CODE
34773
34774

Reno, Carmen

From: Brooks, David K
Sent: Friday, April 22, 2005 11:57 AM
To: Reno, Carmen
Cc: Gum, Tim
Subject: RE: Documentation

Carmen

Be advised that the Santa Fe Office is in possession of copies of:

- (1) assignment from Slayton Resources, Inc. to Ricky L. Houston of a working interest in the Featherstone wells;
- (2) assignment from Occidental Permian Limited Partnership to Ricky L. Houston of a working interest in the Donnelly Pan American well no. 1Y; and
- (3) BLM forms 3160-5 executed by Ricky L. Houston requesting that Tom R. Cone be appointed operator of these wells.

In view of this documentation and of the fact that SWR Resources has taken no action of any kind with reference to these wells for more than three years, and in view of the difficulties this office and your office have encountered in even locating a mailing address where written communications to SWR will be accepted, it is my advice that the change of operator from SWR to Tom R. Cone be approved without signature of SWR.

David K. Brooks
Assistant General Counsel

-----Original Message-----

From: Reno, Carmen
Sent: Friday, April 22, 2005 10:43 AM
To: Brooks, David K
Subject: Documentation

Tim, wanted me to get some kind of documentation on the Tom R. Cone Operator Change, stating it's ok too only have the one signature.

Carmen Reno
Oil Conservation Division
(505-748-1283)x 110
creno@state.nm.us