

District I
1625 N. French Dr., Hobbs, NM
88240

State of New Mexico
Energy, Minerals and Natural Resources

Form C-104A
Permit 869

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

Change of Operator

Previous Operator Information

OGRID: 125723
Name: BISCO INC
Address: c/o Oil Reports & Gas Services
Address: 1008 W. Broadway
City, State, Zip: Hobbs, NM 88240

New Operator Information

Effective Date: 04/15/2004
OGRID: 227083
Name: ORBIT ENERGY INC
Address: PO Box 311
Address:
City, State, Zip: Tatum, NM 88267

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: Gaye Heard
Printed Name: Gaye Heard
Title: Agent
Date: 4/16/04 Phone: 505-393-2727

New Operator

Signature: Steven Duin
Printed Name: Steven Duin
Title: Vice President
ORBIT ENERGY INC.
Date: 04/15/04 Phone: 713-660-0494

NMOCD Approval

Signature: Paul F. Kautz
Printed Name: PAUL F. KAUTZ
District: PETROLEUM ENGINEER
Date: APR 16 2004