

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

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 869

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