

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 10932

Change of Operator

Previous Operator Information

OGRID: 161968  
Name: MESQUITE SWD, INC  
Address: PO Box 1479  
Address:  
City, State, Zip: Carlsbad, NM 88221

New Operator Information

Effective Date: 01/01/2005  
OGRID: 210091  
Name: DKD, LLC  
Address: PO BOX 682  
Address:  
City, State, Zip: TATUM, NM K

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: Chay Wilson  
Printed Name: CHAY L WILSON  
Title: V.P.  
Date: 1/1/05 Phone: 505-825-3996

New Operator

Signature: Danny R Watson  
Printed Name: DANNY R WATSON  
Title: Prod.  
Date: 1/1/05 Phone: 505 398-3490

MAY 16 2005

PETROLEUM ENGINEER

