

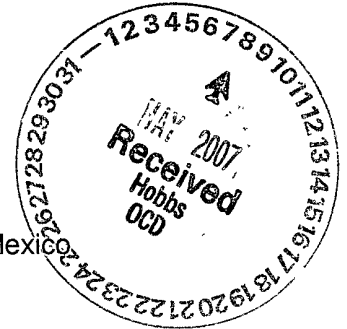


**ENERGY OPERATING, L.L.C.**

P. O. BOX 2712 • 700 N. GRANT SUITE 650 • ODESSA, TEXAS 79760-2712 • (432) 580-5722 • FAX (432) 333-8881

May 4, 2007

Re: Crume #1 well  
API #30-041-20601  
Section 23 T6S, R33E  
Roosevelt County, New Mexico



Mr. David Brooks  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

Pursuant to conversation between Linda Jones, my assistant, and Mr. Chris Williams in the District 1 office today, he requested that we send to you the attached information as to the Crume #1 well which ICA Energy, Inc. assigned effective May 1, 2001, to Patco, Ltd., but which continues to show up in the NMOCD records as belonging to ICA Energy Operating, LLC. (operator of properties owned by ICA Energy, Inc.).

Attached are the following documents:

1. Assignment and Bill of Sale by and between Darlene Davis and Gordon S. Votaw, dated October 15, 1997, recorded in Book 44, Page 906, Roosevelt County, New Mexico.
2. Letter dated November 28, 1997, from Gordon S. Votaw to Mineral Technologies, Inc. (previous contract operator for ICA Energy, Inc.) claiming that he had purchased the captioned well and equipment.
3. Letter dated July 24, 2000, to Mr. Gordon S. Votaw forwarding to him the C-104 for him to complete and forward to NMOCD reflecting the change of operator. (As far as we can tell he never completed this form).
4. Letter dated June 14, 2001, to Patco Ltd. again forwarding the C-104 for him to complete and forward to NMOCD.
5. Letter dated July 9, 2001, to Patco, Ltd. notifying Mr. Votaw that ICA had assignment all of its interest in the Crume #1 to Patco and that he still needed to complete and forward the C-104.
6. Assignment and Bill of Sale by and between ICA Energy, Inc. to Patco, Ltd. (company owned by Mr. Votaw) dated effective May 1, 2001, recorded in Book 80, Page 627, Roosevelt County, New Mexico

Mr. David Brooks  
May 4, 2007  
Page 2

7. Letter dated August 16, 2004, to Ms. Gail MacQuesten at NMOCD explaining the situation and requesting resolution.

8. Obituary Notice dated February 9, 2005, giving notice that Mr. Votaw passed away on February 4, 2005.

As you can tell, numerous attempts to contact Mr. Votaw prior to his death in order to get all the paperwork completed to transfer the Crume #1 were unsuccessful.

We have had some "conversations" with Mr. Billy Prichard of the Hobbs office, but he has also had no luck in resolving this issue with the landowner.

ICA believes that it has put forth every effort possible in order to transfer this lease to Patco, Ltd. and has no further interest in pursuing this matter any further. We have also had numerous contacts with the NMOCD in the last six years attempting to get this lease removed from ICA's records with little success.

You may contact my office at the letterhead address or telephone number if we need to discuss this matter further.

Sincerely,



Curtis N. Leonard  
Counsel/Land Manager

lsj

Attachments

cc: Mr. Chris Williams  
NMOCD, District 1  
1625 French Drive  
Hobbs, NM 88240

Mr. Billy Prichard  
NMOCD, District 1  
1625 French Drive  
Hobbs, NM 88240

## AGREEMENT AND BILL OF SALE

THIS AGREEMENT AND BILL OF SALE ("Agreement") is by and between **DARLENE DAVIS**, a single woman, whose address is 3249 South Roosevelt Road AD, Elida, New Mexico 88116 (hereinafter referred to as "Assignor"), and **GORDON S. VOTAW**, whose address is Post Office Box 3607, Midland, Texas 79702-3607 (hereinafter referred to as "Assignee").

Assignee desires to acquire from Assignor and Assignor desires to sell to Assignee all right, title and interest in and to two abandoned oil and gas wells located on the following described lands located in Roosevelt County, New Mexico:

Township 6 South, Range 33 East, N.M.P.M.  
 Section 13: NW¼  
 Section 14: N½

The wells are known as the Crume No. 1 Well located 660 feet from the North line and 1980 feet from the West line Section 13, API No. 30-041-20601, and the Harris 14 No. 1 Well located 660 feet from the North line and 1980 feet from the West line Section 14, API No. 30-041-20342. The parties are agreeable to this arrangement and enter into this Agreement to convey title to the wellbore and equipment to Assignee and allow Assignee to reenter the wellbores for the purpose of establishing oil and gas production.

NOW, THEREFORE, for and in consideration of the sum of \$10.00, and other valuable consideration, the receipt of which is hereby acknowledged by Assignor, Assignor does hereby grant, bargain, sell, convey and assign unto Assignee all of her right, title and interest in and to the Crume No. 1 Well and the Harris 14 No. 1 Well as more particularly described above and all equipment, pipe, pipelines, tank batteries, and all related oil and gas facilities, equipment and property located upon the above described land. As part of the consideration paid to Assignor hereunder, Assignee agrees to haul off equipment, storage tanks, pipe and scrap which is not necessary for Assignee's operations. However, Assignee assumes no obligation to perform any action required by state or federal authorities under environmental laws and regulations as a result of activities and actions that occurred prior to Assignee performing operations on the above described lands. Should an environmental "clean up" be required, the obligations imposed by this Agreement upon Assignee do not extend to such remediation and clean up for activities that occurred prior to Assignee's operations on the above described land.

Executed this 15th day of October, 1997.

ASSIGNOR:

Darlene Davis  
 DARLENE DAVIS

ASSIGNEE:

Gordon S. Votaw  
 GORDON S. VOTAW

STATE OF NEW MEXICO )

COUNTY OF ROOSEVELT ) ss.



This instrument was acknowledged before me on October 15, 1997 by Darlene Davis, a single

Mary Patricia Carney  
 Notary Public

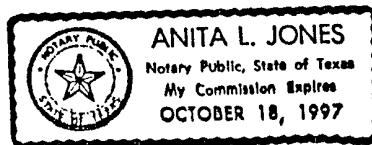
STATE OF TEXAS )

COUNTY OF MIDLAND ) ss.

My Commission Expires:  
 10-18-97

This instrument was acknowledged before me on October 11th, 1997 by Gordon S. Votaw.

Anita L. Jones  
 Notary Public



GORDON S. VOTAW  
P. O. BOX 3607  
MIDLAND, TEXAS 79702  
915-682-6677  
FAX: 915-682-0312

November 28, 1997

Carter Copeland  
Mineral Technologies, Inc.  
P. O. Box 5823  
Midland, Texas 79704

Certified P 420 882 529

Carter:

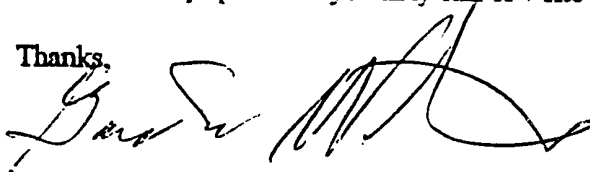
This will serve as your notice that I have leased Sections 13 & 14, T-6-S, R-33-E and have purchased the following abandoned wells and equipment:

- 1.) Crume #1, API# 30-041-20601
- 2.) Harris "14" #1, API# 30-041-20342

The Oil, Gas and Mineral Leases and Bill of Sale are recorded in the Roosevelt County, New Mexico Deed of Records.

If you have any questions you may call or write me at the above address.

Thanks,



Gordon S. Votaw

C 104 Regulatory Form Bill of Sale?  
copies of leases. NW/4 Section 13  
Section 13 -



ENERGY OPERATING, L.L.C.

P. O. BOX 2712 • 700 N. GRANT SUITE 650 • ODESSA, TEXAS 79760-2712 • (915) 580-5722 • FAX (915) 333-8881

**CERTIFIED MAIL**  
**Return Receipt Request**

July 24, 2000

Re: Crume #1  
NW/4 Section 13, T6S, R33E  
Roosevelt County, New Mexico

Mr. Gordon S. Votaw  
P. O. Box 3607  
Midland, Texas 79702

Dear Mr. Votaw:

Enclosed please find a prepared C-104 Designation of Transfer of Operatorship with regard to the Crume #1, OGRID #178694, pertaining to the captioned lands.

Also enclosed is a copy of Assignment and Bill of Sale recorded in Book 44, Page 906, Deed Records, Roosevelt county, New Mexico, wherein Gordon S. Votaw has purchased from Darlene Davis the apparent interest of surface owner in the subject wellbore on the described lands.

ICA, having never received notice of the sale of said wellbore by the landowner to your office, we herein submit to you the Designation form to be signed transferring the rights and obligations of the subject wellbore to you in accordance with State of New Mexico Rules and Regulations.

Apparently, it was your intention to claim that ICA's predecessor in interest, Synergex Energy, Inc., had abandoned said wellbore and leasehold interest as you have been actively taking new oil and gas leases and attempted to succeed to the operatorship of the subject wellbore under the Crume lease by virtue of the assignment from the landowner to you.

In this regard, we ask that you please sign the two originals of the C-104 enclosed and return one to our office for file completion as we will take steps to make the necessary filings with the State of New Mexico in order to transfer this wellbore ownership over to you at this time.

It is apparent from reading the assignment that your intentions in 1997 and at least to this date have been to reenter the wellbore for the purpose of establishing oil and gas production and in this regard we now transfer all rights and responsibilities of said wellbore including, but not limited to the plugging and abandonment of the lease in accordance with rules and regulations of the State of New Mexico to you at this time.

Mr. Gordon S. Votaw  
July 25, 2000  
Page 2

This transfer shall be made effective as of the date of the assignment so recorded being October 1997 thereby creating an effective date for the purposes of this assignment of November 1, 1997.

Should you have any questions or requirements regarding this transfer, please advise and we thank you in advance for your cooperation and assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Curtis N. Leonard". The signature is fluid and cursive, with the first name "Curtis" being more prominent.

Curtis N. Leonard  
Counsel/Land Manager

CNL:lsj

Enclosure

cc: Ms. Darlene Davis  
3249 S. Roosevelt Rd. AD  
Elida, NM 88116  
CERTIFIED MAIL

## District I

1625 N. French Dr., Hobbs, NM 88240

## District II

811 South First, Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-104

Revised June 1, 2000

Submit to Appropriate District Office  
5 Copies☐ AMENDED REPORT

## I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

<sup>1</sup> Operator name and Address GORDON S. VOTAW PO BOX 3607, MIDLAND TX 79702		<sup>2</sup> OGRID Number
		<sup>3</sup> Reason for Filing Code/ Effective Date CH
<sup>4</sup> API Number 30-0 41-20601	<sup>5</sup> Pool Name Peterson Penn Associated South	<sup>6</sup> Pool Code 50360
<sup>7</sup> Property Code 24709	<sup>8</sup> Property Name Crume	<sup>9</sup> Well Number 1

II. <sup>10</sup> Surface Location

UL or lot no. C	Section 13	Township 6S	Range 33E	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County Roosevelt
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<sup>11</sup> Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Lse Code	<sup>13</sup> Producing Method Code	<sup>14</sup> Gas Connection Date	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

## III. Oil and Gas Transporters

<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> POD	<sup>21</sup> O/G	<sup>22</sup> POD ULSTR Location and Description

## IV. Produced Water

<sup>23</sup> POD	<sup>24</sup> POD ULSTR Location and Description
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## V. Well Completion Data

<sup>25</sup> Spud Date	<sup>26</sup> Ready Date	<sup>27</sup> TD	<sup>28</sup> PBTD	<sup>29</sup> Perforations	<sup>30</sup> DHC, MC
<sup>31</sup> Hole Size	<sup>32</sup> Casing & Tubing Size	<sup>33</sup> Depth Set	<sup>34</sup> Sacks Cement		

## VI. Well Test Data

<sup>35</sup> Date New Oil	<sup>36</sup> Gas Delivery Date	<sup>37</sup> Test Date	<sup>38</sup> Test Length	<sup>39</sup> Tbg. Pressure	<sup>40</sup> Csg. Pressure
<sup>41</sup> Choke Size	<sup>42</sup> Oil	<sup>43</sup> Water	<sup>44</sup> Gas	<sup>45</sup> AOF	<sup>46</sup> Test Method

<sup>47</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Gordon S. Votaw

Title:

Date:

Phone:

915-682-6677

## OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

<sup>48</sup> If this is a change of operator fill in the OGRID number and name of the previous operator

ICA ENERGY OPERATING, LLC

Previous Operator Signature

Printed Name

Mike Irons

Title

President

Date

**CERTIFIED MAIL**

**Return Receipt Requested**

June 14, 2001

Re: Crume #1  
API 30-041-20601  
NW/4 Sec. 13, T6S, R33E  
Roosevelt County, New Mexico

Pacto, Ltd.  
P. O. Box 3607  
Midland, Texas 79702

Gentlemen:

ICA has enclosed for your signature a C-104 form showing the transfer of ownership of the Crume #1 wellbore on the above captioned lands effective May 1, 2001.

Pursuant to our latest ownership mineral and leasehold takeoff review, we find that your company has re-executed oil and gas leases dated May 1, 2001, from Elwyn Crume, recorded in Volume RP77, Page 825; Verdine Crume recorded in Volume RP77, Page 827; Wayne Crume, recorded in Volume RP77, Page 821; Darlene D. Davis, recorded in Volume RP77, Page 818; and Rowena Preuit, recorded in Volume RP77, Page 823, in the records of Roosevelt County, New Mexico.

Additionally, enclosed for your review is a photostat copy of recorded Agreement and Bill of Sale executed the 15th day of October, 1997, recorded in Book 44, Page 906, wherein Gordon S. Votaw, whose address is P. O. Box 3607, Midland, Texas (the identical address of Pacto, Ltd.) agreed to the purchase of the subject Crume #1 well from the representative of the landowners, Ms. Darlene Davis of 3249 S. Roosevelt Road, Elida, New Mexico.

It has become obvious to ICA that our attempts to reconcile the ownership of the wellbore and to attempt any re-work operations on the subject property have been hindered and blocked by your continued efforts to exhibit and profess your ownership in not only the oil and gas leasehold estate but also the wellbore in its "as is" condition.

Therefore, ICA requests that you please sign the enclosed C-104 and return one original to ICA in order that we may file with the New Mexico Oil & Gas Conservation Division the subject form in order to relinquish ICA from any further responsibility or liability with respect to the wellbore in question.

ICA has made a good faith effort for the last year to reconcile this title discrepancy and it appears that by your filing of the most recent oil and gas leases that you once again are



demonstrating your ownership of the subject leasehold estate and your desires to continue with the possible re-entry of the wellbore in question.

By copy of this correspondence Mr. Billy E. Prichard, Deputy Inspector of the New Mexico Energy, Minerals and Natural Resources Dept. is advised of this request for your signature as ICA believes that it would be a trespass on our part to commence plugging operations in accordance with the march 22, 2001, correspondence from Mr. Prichard's office on the subject wellbore.

Should there be any further requirements needed with respect to ICA's request for your signature on the C-104 and your admission of ownership to wellbore in question, we ask that you please advise.

Sincerely,



Curtis N. Leonard  
Counsel/Land Manager

CNL:lsj

Enclosure

cc: Mr. Billy Prichard, Dep. Inspector  
New Mexico Energy, Minerals  
and Natural Resources Dept.  
Oil Conservation Division  
1625 French Drive  
Hobbs, NM 88240

Ms. Darlene Davis  
3249 S. Roosevelt Rd. AD  
Elida, NM 88116  
CERTIFIED MAIL



P. O. BOX 233 • 700 N GRANT SUITE 650 • ODESSA, TEXAS 79760-0233 • (915) 580-5722 • (915) 685-3547 • FAX (915) 333-8881

July 9, 2001

Re: Crume  
NW/4 Sec. 13, T6S, R33E  
Roosevelt County, New Mexico

Mr. Gordon S. Votaw  
Pacto, Ltd.  
P. O. Box 3607  
Midland, Texas 79702

Dear Mr. Votaw:

Enclosed please find an executed original of Assignment and Bill of Sale regarding ICA's conveyance of all right, title and interest in and to the NW/4 of Section 13, T6S, R33E, with respect to the Bledsoe-Crume wellbore and terminated leasehold on the subject property.

ICA conveys therein all wellbore right, title and interest and this assignment is also inclusive of any equipment, fixtures or other materials on leasehold premises as of the effective date therein.

Also enclosed is a prepared C-104 form for the State of New Mexico to transfer operatorship to Patco, Ltd. on the subject property and we ask that you please execute and provide your title in the appropriate blank in the bottom left-hand corner of the form as well as your OGRID Number in the top right-hand corner of the form for filing with the Oil Conservation Division.

We ask that as soon as you have signed the original C-104 that you forward same to the Oil Conservation Division, Natural Resource Department, 1625 French Drive, Hobbs, New Mexico 88240, Attention: Mr. Billy E. Pritchard with regards to ICA being released from the subject property.

By copy of this correspondence Mr. Pritchard is advised of the assignment by ICA of any remaining leasehold and wellbore interest rights as well as our transfer to you under C-104 the operatorship of the wellbore in question.

Please be advised that an original of the Assignment and Bill of Sale has been forwarded to Roosevelt County for recording and as soon as we receive its return we will forward a photostat copy of the recorded instrument for your file completion.

Should there be any further requirements needed from ICA we ask that you please advise us and as always, we thank you for your assistance and cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Curtis N. Leonard".

Curtis N. Leonard  
Counsel/Land Manager

CNL:lsj

Enclosures

cc: Mr. Billy Pritchard  
New Mexico Energy, Minerals & Natural Resources Dept.  
Oil Conservation Division  
1625 French Drive  
Hobbs, NM 88240

ASSIGNMENT AND BILL OF SALE

STATE OF NEW MEXICO     §  
                                       §  
 COUNTY OF ROOSEVELT   §

KNOW ALL MEN BY THESE PRESENTS THAT:

ICA ENERGY, INC., a Texas Corporation, with offices at P. O. Box 233, Odessa, Texas 79760 ("Assignor"), for an in consideration of ONE HUNDRED DOLLARS (\$100.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer, grant and convey unto PACTO, LTD., with a mailing address of P. O. Box 3607, Midland, Texas 79702 ("Assignee"), all of Assignor's right, title, and interest in and to the following assets:

- (i) The oil and gas leases, leasehold interests, overriding royalty interests, royalty interests, rights and interests attributable or allocable to the oil and gas leases or leasehold interests by virtue of pooling, unitization, communitization, and operating agreements, licenses, permits and other agreements, and other properties and interests described on Exhibit "A" (collectively, the "Leases"), together with identical undivided interests in and to all the property and rights incident thereto, including, but not limited to, as of the Effective Time, rights in, to, and under agreements, leases, permits, rights-of-way, easements, licenses, farmouts, farmins, options, orders, and other contracts or agreements of a similar nature in any way relating thereto;
- (ii) The wells, equipment, materials, fixtures, and improvements on the Leases as of the Effective Time, appurtenant thereto or used or obtained in connection with the Leases or with the production, treatment, sale or disposal of hydrocarbons or waste produced therefrom or attributable thereto, and all other appurtenances thereunder belonging (the "Equipment").
- (iii) The unitization, pooling, and operating agreements, and the units created thereby which relate to the Leases or interests therein described in Exhibit "A" or which relate to any units or wells located on the Leases, including the units formed under orders, regulations, rules, and other official acts of the governmental authority having jurisdiction, together with any right, title, and interests created thereby in the Leases; and
- (iv) Gas purchase contracts and product purchase and sale agreements related to the Leases.

Assignor's interest in these assets is herein collectively referred to as the "Interests."

**TO HAVE AND TO HOLD** the same unto Assignee, its successors and assigns, forever, subject to the terms and provisions hereof.

This Assignment and Bill of Sale is accepted subject to, and Assignee agrees to assume and perform, any and all of the liabilities and obligations, or alleged or threatened liabilities and obligations, of Assignor that arise under existing oil and gas leases, assignments, term mineral interests, operating agreements, leases, permits, rights-of-way, licenses, easements, options, orders, gas purchase contracts and product purchase and sale agreements, or any other agreements or contracts attributable to, affecting or otherwise relating to the Interests, including, but not limited to, any and all liabilities and obligations (i) to pay and deliver royalties, overriding royalties, non-participating royalties, net profits, interests, and other burdens on production (ii) in connection with or arising out of balancing of overproduction or underproduction from the Interests, and (iii) necessary to comply with all laws and governmental regulations with respect to the Interests, including, but not limited to, the lawful plugging and abandonment of oil and gas wells and the restoration of the surface of the land, regardless of when the events occurred that caused such conditions to exist or obligation to arise. Without limitation of the foregoing, Assignee agrees to assume and perform any and all of the obligations and liabilities, or alleged or threatened liabilities and obligations, of Assignor for environmental claims (as defined in the Agreement) with respect to the Interests, regardless of when the events occurred that caused such condition to exist or obligation to arise.

THIS ASSIGNMENT AND BILL OF SALE IS EXECUTED, DELIVERED, AND ACCEPTED WITHOUT ANY REPRESENTATION, WARRANTY OR COVENANT OF TITLE OF ANY KIND OR NATURE, EITHER EXPRESS, IMPLIED OR STATUTORY. THE INTERESTS ARE BEING CONVEYED AND ASSIGNED TO AND ACCEPTED BY THE ASSIGNEE IN THEIR "AS IS, WHERE IS" CONDITION AND STATE OF REPAIR AND WITH ALL FAULTS AND DEFECTS, WITHOUT ANY REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR NATURE, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MARKETABILITY, QUALITY, CONDITIONS, CONFORMITY TO SAMPLES, MERCHANTABILITY, AND/OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY ASSIGNOR AND WAIVED BY ASSIGNEE. THE INTERESTS HAVE BEEN USED FOR OIL AND GAS PIPELINE, TRANSPORTATION, STORAGE AND RELATED OPERATIONS. PHYSICAL CHANGES IN THE INTERESTS AND IN THE LANDS BURDENED THEREBY MAY HAVE OCCURRED AS A RESULT OF SUCH USES. THE INTERESTS MAY ALSO INCLUDE BURIED PIPELINES AND OTHER EQUIPMENT, THE LOCATIONS OF WHICH MAY NOT BE KNOWN BY ASSIGNOR OR READILY APPARENT BY A PHYSICAL INSPECTION OF THE INTERESTS. IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED (OR HAS WAIVED ITS RIGHT TO INSPECT) THE LEASES, THE EQUIPMENT, AND THE PREMISES AND SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND THAT ASSIGNEE SHALL ACCEPT ALL OF THE SAME IN THEIR "AS IS, WHERE IS" CONDITION AND STATE OF REPAIR AND WITH ALL FAULTS AND DEFECTS, INCLUDING, BUT NOT LIMITED TO, THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL (NORM) AND MAN-MADE MATERIAL FIBERS (MMM). IN ADDITION, ASSIGNOR MAKES NO REPRESENTATION, COVENANT OR WARRANTY, EXPRESS, IMPLIED OR STATUTORY, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA OR RECORDS DELIVERED TO THE ASSIGNEE WITH RESPECT TO THE INTERESTS, OR CONCERNING THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE INTERESTS, OR THE ABILITY OF THE INTERESTS TO PRODUCE HYDROCARBONS, OR THE PRICES WHICH ASSIGNEE IS OR WILL BE ENTITLED TO RECEIVE FOR ANY SUCH HYDROCARBONS.

This Assignment and Bill of Sale shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, this instrument is executed this 9th day of July, 2001, but shall be effective as of the 1st day of May, 2001 (the "Effective Time").

FORM  
OK  
*cm*

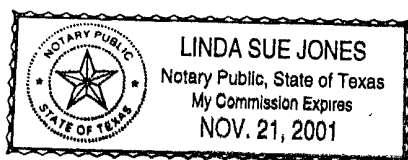
ICA ENERGY, INC.

*Mike Irons*  
Mike Irons, President

STATE OF TEXAS §  
§  
COUNTY OF ECTOR §

BEFORE ME, the undersigned authority, on this day personally appeared Mike Irons, President of ICA Energy, Inc., a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 9th day of July, 2001.



*Linda Sue Jones*  
Notary Public in and for the State of Texas

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale  
dated effective May 1, 2001, by and between  
ICA Energy, Inc., as Assignor, and Pacto, Ltd., as Assignee

Lands Conveyed:

NW/4 of Section 13, Township 6 South, Range 33 East, Roosevelt County, New Mexico

The Assignment of Assets will include and convey all of Assignor's interest, real and personal, whether such interest is correctly described or mis-described or not described at all. Assignor will retain no reversionary rights to the Assets.

ROOSEVELT CO. NM

BK. 80 PG. 617

2001 JUL 16 AM 11:54

JOYCE LEE FRAZE-CLERK

BY Nadine McElroy





P. O. BOX 233 • 700 N. GRANT, SUITE 650 • ODESSA, TEXAS 79760-0233 • (432) 580-5722 • FAX (432) 333-8881

**CERTIFIED MAIL 70031680000683933773**

Return Receipt Requested

August 16, 2004

Re: Crume wellbore  
NW/4 Section 13, T6S, R33E  
Roosevelt County, New Mexico  
API #30-041-20601

Ms. Gail MacQuesten  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Ms. MacQuesten:

With reference to a form correspondence undated but received by ICA on June 21, 2004, from Isabel Montoya of the Automation and Records Bureau of the New Mexico Energy, Minerals and Natural Resources Department of the Oil Conservation Division within your office, ICA once again undertook to communicate with you and the NMOCD with respect to the on-going situation with the Crume wellbore captioned.

As per our last discussion on July 29, I have enclosed for your review photostat copies of the relevant documents pertaining to the historical record of the wellbore and the inability by ICA Energy Operating, LLC to receive release from the plugging responsibilities pursuant to the rules and regulations of the Commission.

Briefly, may I once again restate as we have done previously in other correspondences to your office, that the subject lease was purchased by ICA in a package assignment dated effective January 1, 1996, by and between ICA Energy, Inc., as buyer, and Synergex, Inc. (successor to Bledsoe Petro Corporation and Bledsoe Partners, Inc.) with said Assignment and Bill of Sale recorded in Book 30, Page 931 of the Deed Records of Roosevelt County, New Mexico.

Subsequent to the purchase of the Synergex interest representing several leases in the State of New Mexico, ICA attempted to commence plugging operations on the Crume wellbore only to be prevented by the landowners at that time represented by a Ms. Darlene Davis of 3249 S. Roosevelt Rd. AD, Elida, New Mexico 88116. By copy of Assignment and Bill of Sale recorded in Book 44, Page 906, Ms. Davis assigned all right, title and interest in and to the oil and gas leases as well as the Crume wellbore to Gordon S. Votaw of Midland, Texas. At this time it would be again voluminous for me to repeat the narrative with respect to the trouble that ICA has had with Mr. Votaw as to the transfer of the wellbore rights including the signing of the C-104 which has been mailed to Mr. Votaw no less than 3 times over the last 5 years.

Ms. Gail MacQuesten  
August 16, 2004  
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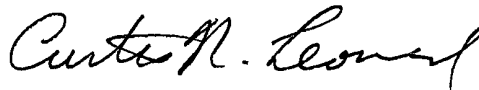
We ask that you please review the correspondence enclosed as ICA has attempted to make proper conveyances including those of recordation in the county records to Mr. Gordon Votaw of Midland, Texas and have by many correspondences requested that he sign the C-104 accepting responsibility for the wellbore in question.

Lastly, we have been prevented for approximately five years from entering the lease by the mineral interest owners, again under the control of Ms. Davis and for your records we have submitted the recorded Oil & Gas Leases from all of the Crume family members, once again given to Gordon S. Votaw, wherein ICA has been warned of possible trespass action should we seek to make any attempts to plug and abandon the Crume wellbore in accordance with your regulations.

Therefore, as you can see by the enclosed file correspondence we have not heard from either the Commission or Mr. Votaw since July 2001 and as a practical matter consider that the wellbore and that the mineral rights either are under control of the family member or under Mr. Votaw's control and that the Commission should seek all remedies against either of those two parties it being understood that ICA has attempted for many years to comply with the requirements of both the Commission and State law.

After you have had an opportunity to review the materials enclosed, please contact my office and we will further discuss what we believe are the remedies available to the Commission with respect to actions to be taken against Mr. Votaw and/or the mineral interest owners in question.

Sincerely,

A handwritten signature in black ink, reading "Curtis N. Leonard". The signature is fluid and cursive, with the first name "Curtis" and last name "Leonard" clearly distinguishable.

Curtis N. Leonard  
Counsel/Land Manager

CNL:lsj

Enclosures