District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy Minerals and Natural Resources

Form C-104A March 19, 2001

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 1 copy of the final affected wells list along with 1 copy of this form per number of wells on that list to appropriate District Office

Change of Operator

| Previous Operator Information: | | New Operator Information: | |
|--------------------------------|---------------------------------|---------------------------|------------------------------|
| | | Effective Date: | July 1, 2002 |
| OGRID: | 12277 | New Ogrid: | 21566 |
| Name: | Julian Ard | New Name: | John R. Stearns DBA Stearns |
| Address: | 222 West 4 th Street | Address: | Box 988 |
| Address: | #313 | Address: | |
| City, State, Zip: | Fort Worth, Texas 76102 | _ City, State, Zip: _ | Crossroads, New Mexico 88114 |

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

| New Operator Signature: | John Streen | | |
|----------------------------|-----------------------------|-------------|--|
| Printed name: | John R. Stearns DBA Stearns | · · · · · · | |
| Title: | Owner/Sole Proprietor | | |
| Date: | June 13, 2002 Phone: | | an a |
| Previous operat | or complete below: | | NMOCD Approval |
| Previous | | Signature: | China Celellions |
| Operator: Previous | Julian Ard/Mary T. Ard | Drinted | STRUCT SUPERVISOR/GENERAL WAI WOULD |
| OGRID: | 12277 | Name: | CHRIS WILLIAMS |
| Signature: | Alion hid | District: | Hobbs |
| Printed | Jocourt | Duta | 10/29/02 |
| Name: | Julian Ard | Date: | 10/67/02 |

Form C-104A Attachment – Well List

From: Operator Julian Ard – OGRID 12277 To: Operator Stearns – OGRID 21566

 Prop. code!
 30031

 Well Name:
 Harton State # 2

 N - 32 - 9s - 37e

 API #:
 30-025-27505