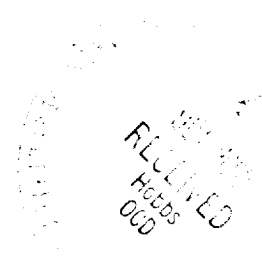


87505

Conditions of approval, if any:



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:

OGRID: 186820
Name: CACTUS OPERATING Co, LLC
Address: 1907 W JEFFERSON
Address: _____
City, State, Zip: LOVINGTON, NM 88260

New Operator Information:

Effective Date: MAY 1, 2002
New Ogrid: 012444
New Name: KELTON OPERATING CORP.
Address: 1510 HERITAGE BLVD
Address: _____
City, State, Zip: ANDREWS, TEXAS 79714

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: C. Dale Kelton

Printed name: C. Dale Kelton

Title: PRESIDENT

Date: 6-24-02

Phone: 915.524.6400

Previous operator complete below:

Previous

Operator: CACTUS OPERATING Co, LLC

Previous

OGRID: 186820

Signature: William V Palmer

Printed Name: WILLIAM V PALMER

NMOCD Approval

Signature: Paul F. Kuntz

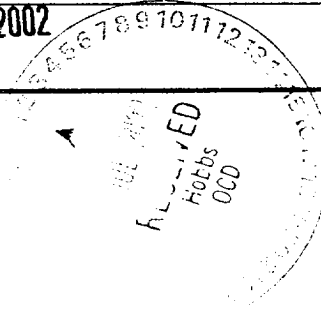
Printed

Name: PAUL F. KUNTZ

District: _____

Date: JUL 23 2002

PETROLEUM ENGINEER



012444

Kelton Operating Corp

Final List of Wells Transferred from Cactus Operating Company, LLC to Rance Colborn:

<u>Well Name</u>	<u>Property No.</u>	<u>API No.</u>	<u>UL S. Twp. Rge</u>	<u>County</u>
San Simon State #3	25723 18405	30-025-29639	L - 4 - 22S - 35E	Lea
San Simon State #4	25723 18405	30-025-29694	N - 4 - 22S - 35E	Lea
San Simon State #5	25723 18405	30-025-29758	J - 4 - 22S - 35E	Lea

