Joe D. Peterson P.O. Box 40 Lovington, New Mexico 88260

HNG Oil Company P.O. Box 2267 Midland, Texas 79701

Attn: Mr. Bill Lewis:

RE:Conditional Letter of Acceptance Sec.4,T22S,R35E. Lea Co. New Mexico

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Dear Sirs:

This will supplement our Lease Agreement between HNG, InterNorth, and Joe D. Peterson.

A correction needs to be instituted in any paragraph or phrase stating Sec. 4, T22S, R34E. to Sec. 4, T22S, R35E.

In paragraph I it needs to read July 15, 1985 in lieu of May 15, 1985.

Also it shall be stated that the Initial Well site will begin the checkerboard agreement; Amending Exhibit 'A' under description to: T-22S, R-35-E, NMFM Section 4: Lots 2, 4, the NW/4 and the SE/4 of each quarter.

Respectively, Yours,

Joe D. Peterson

ACREED AND ACCEPTED THIS DAY OF April 1985

By: W. R. June

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