

**STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS**

Nearburg Producing Company  
3300 North "A" Street, Building 2, Suite 120  
Midland, Texas 79705

The undersigned accepts all applicable terms, conditions, stipulations and restrictions covering operations conducted on the leased land or portion thereof, as described below:

Lease No: NM 17238

Legal Description of Land: SHL: 1980' FSL & 2510' FWL, Unit K  
BHL: 1700' FNL & 2250' FWL, Unit F  
Section 3, T20S, R33E  
Lea County, New Mexico

Formation(s) (if applicable): Bone Spring

Bond Coverage: \$25,000 statewide bond of Nearburg Producing Company

BLM Bond File No: NM1307

6-13-01  
Date

H. R. Willis /KS.  
H. R. Willis  
Drilling Superintendent