

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Penroc Oil Corporation
P. O. Box 5970
Hobbs, New Mexico 88241-5970

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 96248

Legal Description of Land: 330' FNL & 1650' FEL

Formation(s) (if applicable): Abo

Bond Coverage: \$25,000 statewide bond of Penroc Oil Corporation

BLM Bond No: 58 44 25


M. Y. (MERCH) MERCHANT
PRESIDENT
PENROC OIL CORPORATION