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

InterNorth, Inc. 1 Petr. Cntr. Bldg. 6 Suite 201 3300 N. 'A'' Street Midland, Texas 79705

Attn: Glenda Howard

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

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, NMPM Section 4: Lots 2, 4, the NW/4 and the SE/4 of each quarter.

Respectively Yours,

Ĵoe D. Peterson

AGREED AND ACCEPTED THIS 10TH DAY OF APRIL , 1985

InterNorth, Inc.

B. H. Morrison, Vice President

General Manager

Oil Conservation Commission Case No. 13711

March 16, 2007

OCD EXHIBIT