STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

SDX Resources Inc. PO Box 5061 Midland, TX 79704

March 28, 2000

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

Lease No.: NM-025527

Lease Name: Woden Federal #1

Legal Description of Land: Unit B, 660' FNL 1650' FEL

Sec. 23, T17S, R27E

Eddy Co., NM

Formation (s): Red Lake, QN-GB-SA

Bond Coverage: Statewide Bond - State of New Mexico

BLM Bond File No.: NM2307

Authorized Signature:

John/Pool Vice-President