

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Fasken Oil and Ranch, Ltd. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

LEASE NO.: USA NM-4025


LEGAL DESCRIPTION: SE/4 Sec. 28, T20S, R25E, NMPM, Eddy County, NM.

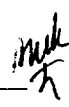
FORMATION(S): All Depths

BOND COVERAGE: \$25,000

BLM BOND FILE: ~~NM0152~~ 2729

Fasken Oil and Ranch, Ltd.  
by: Fasken Management, LLC  
Its General Partner

  
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Benjamin L. Blake  
Vice-President



Date: 8/1/01