United States Department of the Interior

BUREAU OF LAND MANAGEMENT Roswell Resource Area P.O. Drawer 1857 Roswell, New Mexico 88202-1857

Statement Accepting Responsibilities for Operations

Operator Name: Harvey E. Yates Company

Street or Box: P.O. Box 1933

City, State: Roswell, New Mexico

Zip Code: 88202

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.: LC-063567

Lease Name: Turner 7 Fed Deep #1

Legal description of land: Sec 7, T20S, R27E, Eddy County, New Mexico

Formation(s) (if applicable): Morrow

Bond Coverage: (State if individually bonded or another's bond): Blanket Bond

BLM Bond File No.:

Authorized Signature: Bob William

Title: Drilling Superintendent

Date: Apr 28, 2000