

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS  
43 CFR 3100.0-5  
NTL 89-1 New Mexico

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

LEASE NUMBER: NM 012121

LEGAL DESCRIPTION OF LAND: SW/4 of the NW/4 of  
Sec. 25 - T24S - R31E  
Eddy County, New Mexico


BOND COVERAGE: Statewide bond of Hanagan Petroleum Corp.  
from Planet Indemnity Company.  
Surety Bond # B03222

FORMATIONS: Surface to Base of Delaware.

BLM BOND FILE NUMBER: Statewide Bond 3104 (943C-3ssp)

DATE: 3/16/92

AUTHORIZED SIGNATURE:

  
Michael G. Hanagan

TITLE: Vice President