

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

KUKUI Operating Company
601 Vestavia Pkwy. St. 240
Vestavia, Alabama 35216

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: NMNM - 103604

Legal Description of Land: S 1/2 of Section 35 - T23S - R29E
Eddy County, New Mexico

Formation (s) (if applicable):

Bond Coverage: Statewide

BLM Bond File No: NM 2446

Authorized Signature:



Title: District Operations Mgr.

Date: 2/8/2000

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FEB 11 2000

BLM
ROSWELL, NM