

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Nearburg Producing Company
3300 North "A" Street, Building 2, Suite 120
Midland, Texas 77905

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

Lease No: NM-17238

Legal Description of Land: 1,650' FNL & 1,650' FWL
Section 11, T20S, R33E
Lea County, New Mexico

Formation(s) (if applicable): Morrow

Bond Coverage: \$25,000 statewide bond of Nearburg Producing Company

BLM Bond File No: NM1307

12-30-99
Date

H. R. Willis / KS
H. R. Willis
Drilling Superintendent