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:

SHL - 2200' FSL & 1330' FEL

BHL - 2050' FNL & 1758' FEL

Section 3, 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

Date

H. R. Willis

Drilling Superintendent

CEIVE

MAY 23 700

Roswell, nm

