

Crownpoint, New Mexico

June 4, 1965

Mr. Hoover H. Wright
Harris Drilling Company
Post Office Box 2124
Santa Fe, New Mexico

Gentlemen:

In consideration of your turning over and thereby relinquishing to me that certain core hole which you drilled in Sec. 36, T. 18 N., R. 12 W., N.M.P.M., McKinley County, New Mexico, upon which I hold Grazing Lease GK-841, I hereby release you from and agree to indemnify and hold you harmless in any and all costs, claims, actions, liabilities, and expenses and including without limitations attorney fees of whatsoever nature which may in anywise arise out of or result from such well or operations thereof.

Such well is being accepted by me in complete satisfaction and discharge of any and all prior oral and written agreements or commitments in connection therewith and such well is to be taken over by me in its present condition without any warranty whatsoever, either expressed or implied as to its condition or fitness for use for my purposes. I further agree to comply with any and all applicable laws and regulations whether Federal, State, or local, now or hereafter applicable to such well or the continued operation or production therefrom including the subsequent plugging and abandonment thereof, if required under said laws and regulations.

If you are agreeable to the foregoing, kindly evidence your acceptance thereof by signing in the space indicated below.

Very truly yours,

Jimmy K. Jacobs
Jimmy K. Jacobs

Ilene M. Jacobs
Ilene M. Jacobs - his wife

Accepted and agreed as of
this 8th day of June, 1965

Hoover H. Wright
Hoover H. Wright

By: *W. H. Harris*
Harris Drilling Company



