

El Paso NATURAL GAS
COMPANY

EL PASO
DISTRIBUTION

P. O. BOX 1417
EL PASO, TEXAS 79978
PHONE 915 543-2900

October 28, 1976



Brookhaven Oil Company
P. O. Box 1267
Scottsdale, Arizona 85252

GLA-46
Amdt. #20

Dacressa Corporation
P. O. Box 1267
Scottsdale, Arizona 85252

Gentlemen:

On November 27, 1951, Brookhaven Oil Company and San Juan Production Company entered into an Operating Agreement pertaining to certain lands in San Juan County, New Mexico. Said Agreement, as amended, provided for the drilling of Mesaverde wells by San Juan Production Company and the recovery of Brookhaven's share of the cost of drilling such wells subject to the limitations and in accordance with the provisions of Subparagraph 5.d of said Agreement.

By this letter, Brookhaven and Dacressa, as successors in interest to Brookhaven Oil Company, and El Paso Natural Gas Company, as successor in interest to San Juan Production Company, do hereby evidence the amendment of Subparagraph 5.d of the Operating Agreement dated November 27, 1951, as amended, to provide for the following:

1. Brookhaven and Dacressa, in consideration for the drilling of the following described wells by El Paso during the calendar year 1976, agree to promptly pay to El Paso, upon receipt of an invoice, their share of the costs of drilling said wells, in lieu of having those costs recovered out of production as provided for in Subparagraph 5.d of the Operating Agreement, as amended by letter agreement dated March 27, 1975.

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<u>Well Name</u>	<u>Formation</u>	<u>Location</u>	<u>Ownership</u>	
Atlantic Com A#7A	Mesaverde	E/2 Sec. 23 T-31-N,R-10-W	El Paso Natural Gas Co.	75.0000C
			Brookhaven Oil Co.	2.73437
			Dacressa Corporation	6.2500C
			Amoco Production Co.	3.51562
			G. T. McAlpin	6.2500C
			Lora McAlpin	6.2500C
			<u>100.0000C</u>	
Atlantic Com B#8A	Mesaverde	W/2 Sec. 23 T-31-N,R-10-W	El Paso Natural Gas Co.	68.7500C
			Brookhaven Oil Co.	4.06250
			Amoco Production Co.	2.18750
			Aztec Oil & Gas Co.	12.5000C
			G. T. McAlpin	6.2500C
			Lora McAlpin	6.2500C
			<u>100.0000C</u>	

This letter agreement extends only to the drilling of the above listed wells. Upon receipt of payment of your share of the costs of the wells, El Paso will release for payment to Brookhaven and Dacressa all of their proportionate share of the proceeds from production attributable to the subject wells.

Please evidence your acceptance of the foregoing by signing and returning a copy of this letter to the undersigned.

Yours very truly,

ATTEST:

EL PASO NATURAL GAS COMPANY

BY: _____

Assistant Secretary

BY: _____

Assistant Vice President *DW*

AGREED TO AND ACCEPTED this

5th day of November, 1976.

BROOKHAVEN OIL COMPANY

BY: _____

Sherrill Berry Pres.

DACRESSA CORPORATION

BY: _____

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