

PLEASE RETURN TO
LAND - FARMINGTON

MERIDIAN OIL

November 3, 1987

FEDERAL EXPRESS

Amoco Production Company
Attention: Ms Deidre Lawrence
1670 Broadway
Denver, Colorado 80202

Re: GLA-46
Amendment No. 25

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 provided for the drilling of Mesaverde wells by San Juan Production Company and the recovery of one-half (1/2) of the cost of drilling such wells subject to the limitations and in accordance with the provisions of sub-paragraph 5.d(1) of such agreement. By various Letter Agreements, the Operating Agreement was amended to provide a recovery formula for wells drilled to other formations.

By this letter, Amoco Production Company, as successor 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 sub-paragraph 5.d(1) of the Operating Agreement of November 27, 1951, as amended, as follows:

Amoco's obligation to pay its share of drilling costs out of production shall cover its proportionate share of the actual well costs as described in the attached Well Cost Estimates. This Letter Agreement extends only to the drilling of the following wells.

<u>Formation</u>	<u>Well</u>	<u>Spacing Unit</u>	<u>Ownership</u>
Fruitland Coal	Scott #100	N/2 Sec. 29-32N-10W	EPNG - 50.000% Amoco - 28.125% Minatome - 18.750% Estate of Paul Umbach 3.125%
Fruitland Coal	Scott #101	E/2 Sec. 31-32N-10W	EPNG - 50.000% Amoco - 28.125% Minatome - 18.750% Estate of Paul Umbach 3.125%
Fruitland Coal	Scott #102	E/2 Sec. 34-32N-10W	EPNG - 50.000% Amoco - 28.125% Minatome - 18.750% Estate of Paul Umbach 3.125%

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

Yours very truly,

EL PASO NATURAL GAS COMPANY

Alan Alexander

By: Alan Alexander *GFA*
District Land Manager

AA/TFH:tlm
GLA-46
Doc. #0449L

AMOCO PRODUCTION COMPANY

Agreed to and Accepted this 16th day of November, 1987

By: *G.W. Chipman*

Title: ATTORNEY-IN-FACT

*Ass
gpt*