

MATKINS AND MARTIN

ATTORNEYS AT LAW

601 NORTH CANAL STREET

P. O. DRAWER N

CARLSBAD, NEW MEXICO 88220

CASWELL S. NEAL 1898-1974

JEROME D. MATKINS

W. T. MARTIN, JR.

JOHN W. FISK

AREA CODE 505

885-2445

885-2312

July 27, 1976

Mr. Walter W. Krug
Box 1960
Midland, Texas 79701

Re: Proposed Well - Lea County, New
Mexico, Wallen Federal #9


Dear Mr. Krug:

Enclosed and duly executed is ⁵the copy of the Agreement covering the referenced well which was forwarded to Mr. Jim Brewer by your letter of January 19, 1976.

I am sending this on behalf of Harroun and Haworth, who have retained a copy of the Agreement. I do not know if Noranda has a copy, and I suspect they do not, and you may wish to send one to Mr. Brewer.

Yours very truly,

MATKINS AND MARTIN


Jerome D. Matkins

JDM/dc

enclosures

cc: Mr. D. S. Harroun
601 Riverside Drive
Carlsbad, N.M. 88220

RECEIVED

AUG 31 1976

CONSERVATION COMM.
HOBBS, N. M.

AGREEMENT

Harroun and Haworth and Noranda Exploration, Inc. have no objection to Walter W. Krug, dba Wallen Production Co.'s casing program on a well located in 2310 FSL and 990 FEL of Section 20, T 20 S, R 34 E Lea County, New Mexico (said well to be 3600 feet plus or minus) using the USGS approved requirements and that Wallen Production Co. will furnish Noranda Exploration, Inc. an electric log, gamma ray and neutron run at as low a speed as possible through the salt section, and that Wallen Production Co. will build its brine with KCl through the interval of the 10th ore zone and allow Noranda Exploration, Inc.'s man to study the drill cuttings through that section, if so requested by Noranda.

This is as per the conversation and agreement with James Brewer, Geologist, Noranda Exploration, Inc.

DATED this 18th day of July, 1976.

HARROUN AND HAWORTH

By H. S. Haworth

NORANDA EXPLORATION, INC.

By James O. Brewer

Walter W. Krug, dba Wallen Production Co., does hereby agree by the terms of this consent as outlined above.

WALTER W. KRUG, dba
WALLEN PRODUCTION CO.

By Walter W. Krug